Daily Report

East Europe

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FBIS-EEU-93-225 *24 November 1993*

CONTENTS

NOTICE TO READERS: An * indicates material not disseminated in electronic form.
An Ω indicates a Foreign Media Note.

INTER-EUROPEAN

CEI Parliamentary Committee Issues Final Statement *[MTI]* 1
Germany, France, Poland Issue Statement *[Bonn BULLETIN 18 Nov]* 2
Jeszenszky Regrets 'Unsuitable' Deportation Agreement *[MTI]* 3

ALBANIA

Air-Crash Victims Mourned; Airline Workers May Strike *[ATA]* 4
Italian Aid Corruption Probe Provides New Evidence *[ATA]* 4
Foreign Minister Comments on Relations With Israel *[Tel Aviv HA'ARETZ 23 Nov]* 4

BULGARIA

Trenchev Deems Berov Cabinet 'Incompetent' *[OTECHESTVEN VESTNIK 17 Nov]* 5
Minister Reorganizes Military Publications *[BULGARSKA ARMIYA 16 Nov]* 6
Daskalov Comments on Sanctions Compensation *[BTA]* 7
Helsinki Committee Examines State of Human Rights *[BTA]* 7
Ministry Deplores EU Council Rejection of Agreement *[BTA]* 7
Official Views Land Allocation Priorities *[BTA]* 8

CZECH REPUBLIC

FRG's Kinkel on Relations, European Security *[LIDOVE NOVINY 22 Nov]* 9
Zieleniec, Sussmuth Discuss Czech-German Relations *[CTK]* 10
Dlouhy: Central Europe Trade Zone Consistent With EC *[CTK]* 10
President Havel Receives Ukrainian Delegation *[CTK]* 10
Plyushch Meets Foreign Committee *[CTK]* 11
Privatization Discussed *[CTK]* 11
Havel Amends Penal Law Paragraph 102 *[Prague Radio]* 11
Issues Statement *[CTK]* 12
Novak Defends Slander Article *[CTK]* 13
Survey Gives ODS 32 Percent of Vote *[CTK]* 13

SLOVAKIA

Meciar Responds to Deputies' Questions *[REPUBLIKA 20 Nov]* 14
Meciar Denounces No-Confidence Vote in Sobona *[CTK]* 14
HZDS, SNS Leaders Deal With Coalition Strains *[NARODNA OBRODA 20 Nov]* 15
SDL Opposes Coalition, Demands Early Elections *[CTK]* 15
SDL Criticizes Hungarian Foreign Policy, Moravcik *[CTK]* 16
Press Comments on Delay in Visit by Jeszenszky *[CTK]* 16
Moravcik Responds to Jeszenszky Statement *[CTK]* 17
REPUBLIKA Criticizes Czech Arms Trade *[CTK]* 17
Discrepancy Between Budget, Forecasts Highlighted *[SME 19 Nov]* 18

HUNGARY

Antall In Hospital; Cancer Ruled Out *[Budapest Radio]* 19
Christian Democrat Leader Views Media Issue, Elections *[PESTI HIRLAP 19 Nov]* 19
MIEP Chairman Views Party's Policies *[NEPSZABADSAG 20 Nov]* 20

Military Expert On Costs of Integrating Into NATO *[MAGYAR NEMZET 23 Nov]* 22
Foreign Ministry Explains Delayed Visit to Slovakia *[CTK]* 22

POLAND

Official on Western Attitude to NATO Membership *[Warsaw Radio]* 23
Germany To Support Poland's Efforts To Join NATO, EU *[PAP]* 23
Membership 'Question of When' *[PAP]* 23
Police Seize Over Two Kg Uranium in Lublin Province *[Warsaw Radio]* 23
Customs Seize Radioactive Material at Ukrainian Border *[PAP]* 23
Spokeswoman on Attempt To Smuggle Arms to N. Ireland *[PAP]* 23
Central Planning Chief on Economic Growth *[RZECZPOSPOLITA 23 Nov]* 24
Daily Warns Against Ignoring Opposition *[RZECZPOSPOLITA 23 Nov]* 25
Daily on Budget Surplus, 'Optimistic' Outlook for 1994 *[RZECZPOSPOLITA 23 Nov]* 26
Tribunal Rules Sejm Had Not Violated Constitution *[PAP]* 26
Decree Adopted on Exploitation of World Bank Credit *[Warsaw TV]* 27
Olechowski: Road To Polish Association With WEU Open *[PAP]* 27

ROMANIA

PD(FSN) Refuses To Participate in National Day *[Bucharest Radio]* 28
Trade Union Rejects Government Proposal on Wages *[Bucharest Radio]* 28
Vacaroiu Comments on Domestic Issues *[EVENIMENTUL ZILEI 20 Nov]* 28
Indexation Commission Discusses New Adjustments *[ROMPRES]* 32

BOSNIA-HERZEGOVINA

Karadzic Proposes Division of Sarajevo *[TANJUG]* 34
Karadzic Links Talks to Immediate End to Sanctions *[AFP]* 34
Krajisnik Opposes Franco-German Peace Proposal *[BORBA 23 Nov]* 34
International Aid Convoy Leaves Tomislavgrad *[Zagreb Radio]* 35
Bosnian Serbs Allow Passage of Medical Evacuation *[AFP]* 35
Aid Convoys Reach Central Bosnia After Month *[AFP]* 35
Croats, Muslims Exchange Prisoners *[Zagreb Radio]* 36
Bosnian Croat Leader To Negotiate Cease-Fire *[Zagreb Radio]* 36
Herceg-Bosna Supports Hague War Crimes Tribunal *[Zagreb Radio]* 36
HVO General Wants 'Annihilation' of Muslims *[AFP]* 37
Minister Warns of Possible 'Holocaust' in Mostar *[Sarajevo Radio]* 37
Three Starve in Teslic; Situation 'Dramatic' *[Sarajevo Radio]* 37

CROATIA

Serbs, Croats Sign Local Cease-Fire *[Zagreb Radio]* 38
Commentary Views Italy's Attitude Toward Croatia *[VECERNJI LIST 16 Nov]* 38
Daily Views Need for German Support *[VJESNIK 14 Nov]* 38

SLOVENIA

Bosnian Foreign Minister Visits Ljubljana *[Ljubljana Radio]* 41
Parliament Tightens Criteria for Naturalization *[Ljubljana Radio]* 41

YUGOSLAVIA

Federal

Jovanovic Comments on Franco-German Proposal *[Belgrade TV]* 42
Jovanovic: Sanctions Must Be 'Abolished' Altogether *[TANJUG]* 42
Currency Denomination, Hyperinflation Viewed *[TANJUG]* 42
Kontic, ICRC Chairman Discuss Humanitarian Aid *[TANJUG]* 43
ICRC Head Offers Mediation in POW Exchange *[TANJUG]* 43
Aid Convoy Freed, Departs for Sarajevo *[TANJUG]* 44

Socialists Deny Organizing Paramilitary Groups *[TANJUG]* 44
Croatia Accused of Violating Arms Embargo *[TANJUG]* 44

Serbia

Milosevic Praises Work of International Red Cross *[TANJUG]* 45
Muslim Parties to Run in Elections *[POLITIKA EKSPRES 20 Nov]* 45
Sandzak Muslim Leader on Election Boycott *[Belgrade Radio]* 46
Depos Criticizes TV for Commentary *[Belgrade Radio]* 46
Spokesman Says Sanctions Reveal CIA 'Strategy' *[Belgrade Radio]* 46
Article Sees Media Under Milosevic's Thumb *[MONITOR 12 Nov]* 47

Macedonia

Pilots Point to Shortcomings in Air Traffic Safety *[MILS-NEWS 23 Nov]* 49
Serbian Organization Claims Responsibility for Crash *[MILS-NEWS 23 Nov]* 49

Montenegro

Bulatovic Discusses War, Sanctions, FRY Relations *[TANJUG]* 49
Djukanovic: Russian Readiness To Help Limited *[TANJUG]* 53
Paspalj: Karadzic 'Only Man' Able To Rally Serbs *[BORBA 22 Nov]* 53

Kosovo

Four Members of 'Paramilitary Formations' Imprisoned *[TANJUG]* 54
Paramilitary Leader Views Political Stance *[NIN 5 Nov]* 54

CEI Parliamentary Committee Issues Final Statement

AU2211142893 Budapest MTI in English 1957 GMT 20 Nov 93

[Text] Budapest, 20 November (MTI)—The Parliamentary Committee of the Central European Initiative [CEI] ended its two-day closed session in Szeged, south Hungary, on Saturday [20 November].

Participants included delegations from Austria, Croatia, the Czech Republic, Hungary, FYR [Federal Yugoslav Republic] of Macedonia, Italy, Poland, the Slovak Republic, and Slovenia. Bosnia-Herzegovina was not represented. (The Macedonian group, arriving in Szeged as observer, was admitted to the organization with a two-thirds majority.)

A final statement issued from the meeting runs as follows:

Cooperation Between Governmental and Parliamentary Fora [Forums]

Recalling numerous requests by the parliamentary dimension of the CEI for an adquate level of cooperation and coordination between governmental bodies, and bearing in mind the key role of parliaments in adopting future legislation for the implementation of CEI objectives, the Parliamentary Committee:

—Expresses its profound dismay that communication problems between the two forums have not been resolved and that CEI foreign ministers chose not to accept the parliamentarians' suggestion made in July to meet in Szeged,

—Strongly believes that holding meaningful joint working sessions between CEI ministers and parliamentarians should be a fundamental element within the CEI framework,

—Instructs its chairing troika to communicate with foreign ministers as soon as possible and discuss how the structure for dialogue can be improved, how the exchange of information can be increased, and how governmental declarations can reflect recommendations made by parliamentarians.

Minorities

The Parliamentary Committee:

—Notes the outcome of the Vienna summit conference of the Council of Europe and the work taking place under the auspices of that organization on the question of the protection of national minorities,

—With regard to the drafting of a CEI instrument for the protection of minority rights, urges CEI member states to find clear and common definitions in accordance with the guidelines being laid down in the Council of Europe,

—With reference to the proposed CEI conference on minorities, recalls the earlier request for parliamentarians to be actively involved in a such a conference.

Working Groups

Having heard a report on European Bank for Reconstruction and Development [EBRD] activities in CEI projects, the Parliamentary Committee

—Draws the attention of foreign ministers to the need for greater awareness within the CEI about EBRD activities in general so that projects suitable for EBRD support are elaborated,

—Noting EBRD interest in financing viable aviation projects, suggests that urgent consideration is given to potential CEI projects in this field, and asks their respective governments to continue their efforts to elaborate an overall air traffic law for the region,

—Urges working groups to define projects more clearly taking full account of current needs as well as changing circumstances.

With regard to the financial situation of working groups, the parliamentary committee

—Regrets that the question of permanent financing of CEI working groups has not yet been solved and that no multilateral agreement has been worked out to provide a long-term budget for working group activities and projects,

—Reiterates its suggestion for parliamentary committees of national parliaments to be included in the activities of working groups.

Membership

Having considered the application for membership of the FYR of Macedonia, the Parliamentary Committee

—Confirms the participation of the FYR of Macedonia as full member,

—Demands that in future preliminary consultations take place between foreign ministers and parliamentarians on all applications for membership,

—Requests clarification from CEI foreign ministers on their views concerning the geopolitical limits of Central Europe.

Next Year's Chairmanship

The Parliamentary Committee confirms that the Italian parliamentary delegation will take over chairmanship as of 1 January, 1994.

In accordance with its rules on working procedures, the Parliamentary Committee requests the CEI foreign ministers to annex this statement to their declaration.

Germany, France, Poland Issue Statement

AU2311172093 Bonn BULLETIN in German Nr. 110/18 Nov 93 pp 1122-1123

["Joint Statement by the Foreign Ministers of Germany, France, and Poland"]

[Text] The foreign ministers of Germany, France, and Poland published the following Joint Statement concerning their meeting in Warsaw on 11 and 12 November:

Warsaw, 12 November 1993.

1. We, the foreign ministers of Germany, France, and Poland, met in Warsaw, thus continuing the previous tripartite meetings in Weimar in 1991 and in Bergerac in 1992. Our three countries hereby attest to their desire to intensify their cooperation. They affirm that it is their joint aim to create a democratic and free united Europe in which the dignity of man is the greatest good.

The meeting of the three presidents in Gdansk in September this year was symbolic in nature.

2. The talks mainly concentrated on two principal topics:

—strengthening and developing the European Union [EU] and drawing the EU and the associated states even closer together; and

—stability and security in Europe.

In addition to this, we discussed certain specific projects for trilateral cooperation.

3. The coming into force of the Maastricht Treaty on 1 November 1993 represented an important step forward in the process of consolidating the EU.

We confirm that Poland and the other associated states in Central and Eastern Europe are qualified to be members of the EU as soon as they fulfill the necessary conditions for this. Bearing in mind the fact that cooperation with the associated states is aimed at their entry, Germany and France will strongly support Poland in this process. In this connection, France and Germany express their satisfaction that Poland's Association Agreement with the EU comes into force on 1 January 1994. The intensification of the political dialogue between the EU and the associated states of Central Europe also promotes this drawing together.

We wish to lend our support to strengthening economic and political relations that at present already bind Poland and the EU, while we also endorse the alignment of our legal systems and economic, transport, environmental, cultural, and education policies. Emphasis should also be placed on cooperation between the border regions. France and Germany will share their experience in this field with Poland.

4. A lasting and stable peace in Europe is only possible when human rights are observed and ethnic conflicts and differences are overcome. The rapid advance of the political and economic reforms in Central and Eastern Europe will also contribute to this stability. We hope that Poland's determination in its reform policy will be widely imitated.

4.1. Germany and France support the wish of Poland and other Central European states to be more closely involved in the European and transatlantic security structures. We regard this as a natural corollary to these states' increasingly close cooperation with the EU with a view to them becoming members in the future.

4.2. In view of the new framework that is offered by the ratification of the EU treaty, we hope that the Western European Union decides on an association status that should be open both to the partners to the consultations that have already concluded an association agreement with the EU and to the other states, as soon as they have concluded such an agreement. This association status ought to make possible wide participation in the activities of the Western European Union.

Germany and France advocate that such a status, which will be to Poland's advantage, should be proposed at the ministers' meeting in Luxembourg on 22 November.

4.3. We support the EU's efforts to put into concrete form the initiative for a pact on stability in Europe, and consider that this intention is able to contribute toward comprehensive security on our continent. Poland is ready to take an active part in the conference on stability in Europe and, in particular, to share its experiences with the treaty that it has concluded with its neighbors with the participating countries, for their benefit.

4.4. We are determined to promote cooperation within the CSCE with the aim of strengthening security. We profess our support for a comprehensive definition of security that combines the maintenance of peace with the observance of human rights and basic liberties. We will undertake joint efforts to make the CSCE an effective instrument for preventive diplomacy and settling conflicts in a peaceful manner.

4.5. We discussed the forthcoming meeting of NATO heads of state and heads of government and laid stress on the significance of the North Atlantic Alliance as a binding element between the security of Europe and of North America. We consider that one important task of the North Atlantic Alliance is to contribute to stability and security throughout Europe. In this connection, an indication by the Alliance that it accepts the basic premise of extending its membership would be of very great importance.

We will make efforts to ensure that the expected developments in the overall structure of European security are to the benefit of all the countries of Europe and will not set any state against another. Poland's wish to strengthen its links with the Atlantic Alliance fits in with these efforts.

We declare our support for further developing cooperation in the North Atlantic Cooperation Council. We regard joint steps for intensifying cooperation in keeping the peace as a matter of importance. In this context we are ready to support plans for joint training and exercises.

4.6. We support increasing military contacts and cooperation between the military forces of our states.

The German and French ministers took note of Poland's desire to establish contacts between the Eurocorps and the Polish Armed Forces.

5. Finally, we discussed specific actions for trilateral cooperation, in particular the following:

—the continuance of trilateral talks between the foreign ministers and advance preparations for such talks by high officials;

—conduct of regular consultations between the foreign ministers;

—continuance of the interparliamentary contacts that commenced with the meeting of the foreign policy commissions of our countries' parliaments in Bonn in November 1992;

—the joint accommodation of the Institut Francais, the Goethe-Institut, and a Polish institute in a building in Warsaw, with the aim of promoting closer cooperation related to joint activities in the cultural field; and

—close cooperation of the German-French Youth Exchange Program with German-Polish Youth Exchange Program, with a view to arranging trilateral youth meetings.

We want to encourage German, French, and Polish regions, towns, universities, schools, and cultural institutes to emulate the example of our cooperation.

6. At the suggestion of German Foreign Minister Klaus Kinkel, our next meeting will take place in Germany in 1994.

Jeszenszky Regrets 'Unsuitable' Deportation Agreement

AU2211145993 Budapest MTI in English 1614 GMT 20 Nov 93

[Text] Budapest, 20 Nov (MTI)—Geza Jeszenszky deeply regrets Slovakia's unsuitable deportation agreement with Romania, but Hungary is in no position to receive people heading for the West from third countries who are expelled from Slovakia and cannot be sent back to Romania.

The Hungarian foreign minister announced this shortly before midnight on Friday [19 November], after talks with Slovak counterpart Jozef Moravcik on the first day of the Central European Initiative (CEI) foreign ministers' conference in Debrecen, eastern Hungary.

Covering Jeszenszky's discussion with Czech First Deputy Foreign Minister Alexandr Vonda late on Saturday [20 November], foreign affairs spokesman Janos Herman said it was mainly about experience in Security Council membership in view of the Czech Republic replacing Hungary in the Security Council as of January 1.

Herman also discussed Jeszenszky's Saturday night talks in Debrecen with Visegrad group partners, including Polish Foreign Minister Andrzej Olechowski, Slovak Foreign Minister Jozef Moravcik and Czech First Deputy Foreign Minister Alexandr Vondra.

He said talks focussed on security with regard to the forthcoming CSCE Foreign Ministers' Council session in Rome and the Brussels meeting of the North Atlantic Cooperation Council. The sides thought coordination of views on major security policy questions was necessary.

Air-Crash Victims Mourned; Airline Workers May Strike

AU2411093593 Tirana ATA in English 0906 GMT 24 Nov 93

[Text] Pristine, November 23 (ATA)—November 23 is a mourning day declared in Kosova and Macedonia after the air crash in Ohrid, where 115 passengers, among whom 100 Albanians from Kosova and their ethnic territories, died.

On November 22 was declared the official list of the passengers who lost their lives in the air crash. Among the victims are also children and infants. Five victims were political refugees in Switzerland and the Swiss police had executed the government decision to expel a number of Albanian refugees.

Still no official information for the causes of the explosion and the fall of the aircraft. The macedonian press suggests as one of the causes the use of old and unreliable aircrafts which do not meet all criteria for usage. At the same time, working people of Macedonian airports warn of a strike because of the chaotic conditions in the air transportation of the Macedonian Republic. According to the chairman of the state commission for the causes of the tragedy, the plane has not followed the right procedure for landing.

Italian Aid Corruption Probe Provides New Evidence

AU2311173593 Tirana ATA in English 1125 GMT 23 Nov 93

["'Albanian Investigators in Italian Aid Case Obtain Additional Evidence in Italy'—Attorney Arben Qeleshi Declares After Returning From Italy"—ATA headline]

[Text] Tirana, November 23 (ATA)—A working group including Arben Qeleshi, Tirana attorney, and Fatos Dervishi, investigator into Italian emergency aid for Albania, have just returned to Tirana after having carried out a two-week rogatory commission to Italy to make further inquiries into alleged corruption in the distribution of Italian aid to Albania.

Mr. Dervishi told an ATA reporter that he and his colleagues began work November 12 and questioned former senior Italian officials who are also under investigation by the Italian judicial authorities in the case. Of particular importance were the interrogations of former Italian foreign minister Gianni De Michelis and the former Italian ambassador in Tirana, Torquato Cardilli, who were questioned for the first time.

In this regard, Mr. Qeleshi declared that evidence cannot be discussed while the case is still sub judice. It was necessary to make the additional investigations in order to carry out the mandate set by the Tirana District Court.

Asked by an ATA reporter to comment on the Levante-Co, Mr. Dervishi stated: "Investigations have revealed that former Albanian government officials had insisted that the Levante-Co deliver emergency aid," and he added that other persons who had been questioned had declared that the Levante-Co would deliver aid after June, 1991. Other witnesses produced documents to confirm this information.

To the question what was done with the rest of aid for Albania, Mr. Dervishi replied that the inquiries have been blocked by Attorney Eevelina Canale who is investigating allegations of corruption by former Italian officials. Mr. Dervishi confirmed that there might possibly be other people involved in corruption with Italian emergency aid, but he can make no further comment while the investigation is continuing.

According to Mr. Qeleshi, the mission of Albanian working group to Italy was a success because additional documents bearing on the case of Fatos Nano had been obtained.

Foreign Minister Comments on Relations With Israel

TA2311124693 Tel Aviv HA'ARETZ in Hebrew 23 Nov 93 p A7

[Report by Yerah Tal and Nitzan Horowitz]

[Excerpts] "The Albanian Government will gladly do its best to help Israel improve its relations with other Muslim countries. We will be happy to put our good relations with these countries at Israel's disposal." These remarks were made by Albanian Foreign Minister Dr. Alfred Serreqi in a special interview with HA'ARETZ yesterday.

The Albanian minister said this in anticipation of Foreign Minister Shim'on Peres' visit to Albania early next week. This will be the first visit by an Israeli minister to Albania since the establishment of diplomatic ties between the two countries on 19 August 1991. [passage omitted]

The Albanian foreign minister said his country attributes great importance to tightening its political and economic relations with Israel. He emphasized that Albania is now in the midst of an accelerated process of turning to a market economy and democratization following dozens of years of dictatorship. For this reason, it needs the cooperation of developed and democratic countries such as Israel.

Serreqi said his country is following the political process between Israel and its neighbors with great interest and will gladly help to the best of its ability. He noted that the resolution of the Arab-Israeli conflict and the Palestinian problem could contribute to achieving the long-sought stability in the region and would also have a positive influence on other conflict areas, including the Balkans. [passage omitted]

Trenchev Deems Berov Cabinet 'Incompetent'

AU2311115093 Sofia OTECHESTVEN VESTNIK in Bulgarian 17 Nov 93 pp 1,3

[Inteview with Dr. Konstantin Trenchev, chairman of the Podkrepa Labor Confederation, by Konstantsa Ancheva in Sofia on 16 November 1993: "They May Not Like Us, Nevertheless, We Exist]

[Text] [OTECHESTVEN FRONT editorial note] On the same day [16 November] on which parliament started its debate on the proposal submitted by the Union of Democratic Forces [SDS] for a no-confidence vote against the government, Konstantin Trenchev gave a news conference at the Podkrepa Labor Confederation's headquarters, during which he accused Professor Berov's cabinet of total incompetence and irresponsibility for the country's fate. He announced the support of his trade union for the SDS and for the no-confidence vote against the cabinet. This is the first direct declaration of the Podkrepa leader in a long time stating that he would have nothing against it, if the SDS should accept the realities and resume the dialogue with its only "natural partners," as Trenchev expressed himself, meaning the Rights and Freedoms Movement [DPS] and the Podkrepa Labor Confederation.

Dr. Trenchev pointed out that he was not disturbed by the fact that a thaw in relations between the SDS and Podkrepa is not possible as yet. He evidently thinks that the SDS coalition has already given up negation as a political instrument and is becoming more pragmatic. The former allies and subsequent opponents are sufficiently well acquainted with each other's political arsenal to take the risk of a new rapprochement in which each of them knows what he can expect from the other. The time has come for the SDS and Podkrepa for such a rapprochement, because they once more share the same objective, according to Dr. Trenchev.

A few minutes after yesterday's news conference, we interviewed Mr. Trenchev on the current political crisis, the blunders committed by the cabinet, and the economic chaos.

[Ancheva] Mr. Trenchev, after your trade union had supported the Berov cabinet over several months, what is the specific reason for declaring yourself against it?

[Trenchev] As early as the summer of 1993, we realized that things were going the wrong way. We asked the cabinet for the two following actions: To map out a program on its intentions and to institutionalize the social dialogue. Our request was fulfilled in the initial stage. However, the moment came for us to assess the results of the cabinet's work. Today, we have all reasons to claim that none of the government's pledges and commitments were implemented, despite the public good will that the cabinet enjoyed to begin with. We evaluate the social dialogue as moderately successful, because, although several problems remained unresolved, the cabinet still managed to avoid some foolish actions that the ruling forces were likely to commit. Our negative evaluation of the government's work, which was expressed as early as in the summer of 1993, unfortunately did not evoke any response on part of the government and there was no change for the better. I am convinced that we would be perfectly justified in describing the Berov cabinet as inactive, incompetent, and lacking all sense of responsibility.

[Ancheva] Do you link your accusations to the names of specific cabinet ministers?

[Trenchev] One way or another, each cabinet member embodies a mixture of the aforementioned shortcomings.

[Ancheva] What would you describe as the cabinet's greatest fault?

[Trenchev] The worst are the government's lack of courage, the missing concept, and the total lack of political will for structural changes.

[Ancheva] Do you not think that the political forces that are supporting Prof. Berov may also be responsible?

[Trenchev] They are responsible, of course. However, the ministers' personal guilt counts even more. Even if you should be only two days in power, you must try to accomplish something at least for your own honor and for the nation's sake. This is the only reliable investment in a political future. The government suffered a particular failure in the social welfare sector. We achieved satisfactory agreements that were not fulfilled. Can the people who assumed such responsibilities, but failed to observe them, be called competent? Should they remain unpunished? Let us not mention Bulgaria's image, which has continued to deteriorate dramatically in the eyes of the international institutions. Numerous Western investors were disappointed and withdrew from cooperation with Bulgaria because of the passivity, irresponsibility, and corruption prevailing in our country.

[Ancheva] Are you convinced that the state administration is solely responsible for such shortcomings?

[Trenchev] Yes, I have sufficient proof for that. In addition to all this, a process of communist restoration has started and continues to develop at an accelerated pace. Our country has nothing to expect apart from a relapse into the past and total international isolation. Hence, we can no longer remain inactive.

[Ancheva] Is Podkrepa's reaction not somewhat belated?

[Trenchev] No, we have long since persevered to find the correct path. Unfortunately, the political forces that were supposed to make the change are in a difficult situation, which is not our fault. This was the reason for our apparent wait-and-see position. The change cannot be implemented by one side only. It is a challenge for all of us, for our society as a whole. We are concerned about the state of our democratic political institutions, which are rather poor and confused.

[Ancheva] Do you mean primarily the Union of Democratic Forces [SDS]?

[Trenchev] I still cannot define what the SDS actually represents. Is it a coalition, or a party? The SDS won the elections and took power, without even forming a shadow cabinet, ready to assume its obligations at any time. The government was formed on the spot in the little snack bar of Uzundzhovska Street. The ministers were from the SDS, while the deputy ministers came from the Bulgarian Socialist Party [BSP].

[Ancheva] You consider yourself to be the founder of the SDS. Would you distance yourself from your own mistake?

[Trenchev] I have already said so. If the founders could justify their mistakes with lack of experience, those who inherited the SDS, but failed to change and institutionalize it, have no excuse whatsoever. The strength of an organization lies in its structures. Even the most brilliant idea cannot be turned into reality, so long as it is not implemented with the efforts of numerous people who know their place within the organization, their rights and obligations. Today, the majority of SDS leaders prefer to preserve a fragmented organization, which permits them to fill leading posts. However, we all know that an orchestra does not consist of the first violins.

[Ancheva] Your accusations against the SDS are numerous, but the Podkrepa Labor Confederation has also committed some sins. Your trade union sharply opposed Filip Dimitrov's government.

[Trenchev] Yes, this is so. We had every reason for that. We just wanted to replace individuals who were not doing their jobs. We have always insisted on real, rather than verbal democracy. Our conflict with Trade Minister Puskharov was based on the fact that he supported the old nomenklatura, while Finance Minister Ivan Kostov refused to maintain the social dialogue. I sharply protest against Podkrepa being accused of waging war against the SDS.

[Ancheva] What about the strikes of 1992, Dr. Trenchev?

[Trenchev] If you examine them you will see that they were caused by the government's unwillingness to engage in a dialogue with us. We had no other alternative.

[Ancheva] This year there are no strikes, there is a dialogue, but has not produced any results. How would you comment on the fact that you admitted your own failure?

[Trenchev] We are reacting, as you see. Supporting a cabinet that has proved its incompetence means neglecting the nation's problems. The Berov government had enough time to show what it is capable of. What they are now trying to call a draft budget is a collection of wishful thinking deprived of arguments. I can only see their good intentions to do this and that, without telling us where the money should come from. Their trends are totally incomprehensible. This is everything except a budget. Considering the increasing deterioration of our members' social condition, which has no chance of improving, we certainly intend to do something, but what exactly—we shall decide at next week's Confederative Council session.

[Ancheva] Thank you for the interview, Dr. Trenchev.

Minister Reorganizes Military Publications

AU2111192093 Sofia BULGARSKA ARMIYA in Bulgarian 16 Nov 93 p 1

[BULGARSKA ARMIYA staff report]

[Text] On 15 November Deputy Defense Minister Mikhail Srebrev informed the erstwhile management teams of the "St. George the Victorious" Military Publishing Complex, the BULGARSKA ARMIYA newspaper, and the SIGNAL journal of an order issued by the defense minister.

The order states that during its nearly two years of existence the "St. George the Victorious" Military Publishing Complex has done much to raise the prestige of Bulgarian military and commemorative literature. Dozens of priceless books, forgotten during the years of totalitarianism and written by notable Bulgarian authors, took their rightful place in the book market and are helping to strengthen Bulgarian national self-esteem. At the same time, a number of tangible weaknesses are evident in the work of the publishing complex that sharply reduce the effectiveness of its work and greatly hamper the training of the troops. In addition, Defense Ministry publications like BULGARSKA ARMIYA and SIGNAL have remained outside the scope of this work.

The management of the "St. George the Victorious" Military Publishing Complex has striven to make good the real gaps in the Bulgarian book market at the expense of production specially designated for the Ministry of Defense and for training and educating the troops.

To eliminate the above-mentioned and a number of other shortcomings, the minister of defense orders that as of 15 November 1993 the "St. George the Victorious" Military Publishing Complex, the editorial office of BULGARSKA ARMIYA, and the editorial office of the SIGNAL journal should cease to exist as independent structures and that on 16 November work should begin on forming the "St. George the Victorious" Publishing House of the Defense Ministry, the purpose of whose activity is to provide publishing, printing, commercial, advertising, and other services. The new publishing house will take over the assets of the divisions that have been closed down.

The Defense Ministry Publishing House will be managed by a publishing council, whose membership and powers will be defined by the defense minister. The council will be represented by an editor in chief, who is also chairman and member of the publishing council. Before

30 December 1993, the executive director is to present a code of regulations for the organization, work, and payroll of the publishing house to the defense minister for his approval.

The order explicitly states that the mutual labor relations with the workers and employees of the closed institutions, except for the chief of the Military Publishing Complex and the chief editors of BULGARSKA ARMIYA and SIGNAL, are to be settled in accordance with the provisions of Article 123 of the Labor Code.

Before 17 December 1993, a competition, based on submitted documents, will be held for the posts of executive director and his deputies, editor in chief of the new publishing house, and editors in chief of the BULGARSKA ARMIYA newspaper and SIGNAL journal.

Before the end of November, the Legal Department of the Defense Ministry is ordered to review the contracts concluded by the managements of the closed institutions and in force until now, and is to propose measures to eliminate the weaknesses committed.

Daskalov Comments on Sanctions Compensation

AU2311131693 Sofia BTA in English 0748 GMT 22 Nov 93

[Text] Lisbon, November 23 (BTA)—The Lisbon daily CORREIO DE MANHA carries an interview with Bulgaria's Foreign Minister Stanislav Daskalov, taken after his meeting with the speaker of Portuguese Parliament Barbosa di Melo, Bulgaria's Foreign Ministry reported yesterday. In the interview, headlined "Bulgaria Demands Compensations From the 12, Says Bulgarian Foreign Minister in Lisbon," Minister Daskalov comments that Bulgaria is a victim of the stagnation, caused by internal contradictions between the European Council member states concerning the future mechanisms of trade protection among the 12. Minister Daskalov was on a brief working visit to Portugal from November 18. He met the Portuguese president, ministers and MP's.

Mr. Daskalov stresses that Bulgaria's economy and more specifically the emerging private sector have of late been seriously affected by the UN-imposed economic embargo on neighbouring Serbia and Montenegro. "If this state of affairs is maintained for long, it will trigger off social instability in the country and naturally the appearance of a new hotbed of tension in Europe, which is by far not desirable on the continent," Mr. Daskalov points out.

On the conflict in what was Yugoslavia, the Bulgarian foreign minister underlines that the international community should get more actively committed to the pursuit of peace in Bosnia and Herzegovina and blamed it for having interfered too late. As regards Bulgaria's possible admittance to NATO, Minister Daskalov argumented such a move with this country's geopolitical significance on the Balkans.

The decisions taken at the Copenhagen EC summit are the first and most important political signal by the 12 to Europe's opening to the countries of Eastern Europe, Mr. Daskalov says. The Bulgarian government, he continues, thinks that the EC markets' opening to goods from the former Warsaw Pact is the best aid the countries of Eastern Europe may get.

Helsinki Committee Examines State of Human Rights

AU2311131293 Sofia BTA in English 1931 GMT 22 Nov 93

[Text] Sofia, November 22 (BTA)—The Bulgarian Helsinki Committee today briefed the press on its annual report on human rights in Bulgaria. The report has eight chapters, with seven of them treating specific human rights abuses, said the committee's secretary Krasimir Kunev. The first and most important chapter, on minority rights, deals with gypsy rights, with cases of Turkification of Bulgarian Mohammedans in Yakoruda and Satovcha (in a region with a compact ethnic Turkish population in southern Bulgaria) and with violations linked to the unregistered United Macedonian Organization Ilinden, the official said.

The second chapter concerns discrimination on political grounds. The committee cites the dismissals of Bulgarian National Television Director Asen Agov, Bulgarian News Agency (BTA) Director Ivo Indzhev, the chairman of the posts and telecommunications committee Stefan Sofiyanski and the Privatization Agency Director Aleksandur Bozhkov (all supporters of the Union of Democratic Forces (SDS). In this chapter the committee also take a negative view of the Panev Act (on the decommunization of science), Mr. Kunev said.

The committee also reports violations of the freedom of conscience and worship, said the official. The report also treats matters of criminal justice. It takes a stand against the death penalty. It also deals with the freedom of the press and the freedom of movement within the country.

Ministry Deplores EU Council Rejection of Agreement

AU2311155293 Sofia BTA in English 1145 GMT 23 Nov 93

[Text] Sofia, November 23 (BTA)—The Ministry of Foreign Affairs expresses deep concern over the fact that Bulgaria's interim trade agreement with the EC [European Community] was not approved at the extraordinary meeting of the Council of the European Union yesterday. Besides missed opportunities to increase Bulgarian exports, a further delay in the agreement's entry into force may cause Bulgaria to reconsider the terms of trading with the European Union, says a Foreign Ministry declaration released today. An immediate political decision would be both in the interests of Bulgaria and of the European Union member states. We look favourably on the efforts of Belgium, exercising the Presidency of

the European Union, and of other member states, to work out a compromise allowing the council to approve Bulgaria's interim agreement at its earliest meeting whose procedure makes a discussion of the issue possible, the declaration says in conclusion.

Official Views Land Allocation Priorities

AU2311182993 Sofia BTA in English 1557 GMT 23 Nov 93

[Text] Sofia, November 23 (BTA)—The amount of the state land stock now stands at some 220,000 hectares, the deputy head of the Land and Land Use Department of the Agriculture Ministry, Ivan Kurtev, announced today. He believes that the final figure, which will be determined before the end of the year, will be at most 5,000 hectares greater than the present one.

Some 50,000 hectares of state-owned land are used by institutes and experimental stations, and another 50,000 hectares are uncultivable land which is not subject to lease. The remaining 127,000 hectares can be used for farming.

This amount is quite sufficient to meet the requests of landless farmers and small owners for the lease of state-owned land, agriculture experts say. After the liquidation of the socialist-type cooperative farms and the restitution of land to its former owners, part of the farmers proved landless or owners of too little plots. These are mainly ethnic Turks living in northeastern and southeastern Bulgaria who were the country's poorest population prior to cooperativization. The Movement for Rights and Freedoms, which protects the interests of ethnic Turks, repeatedly voiced fears that this category of farmers would remain without livelihood.

Some 36,000 decares in 14 areas countrywide have been leased to landless people and small owners on preferential terms, according to Mr. Kutev. In northeastern Bulgaria they have received some 32,000 hectares. In the remaining parts of the country people do not show particular interest in state-owned land for the time being and no lease contracts have been concluded there, according to the Agriculture Ministry.

FRG's Kinkel on Relations, European Security

AU2311143993 Prague LIDOVE NOVINY in Czech 22 Nov 93 pp 1, 5

[Interview with German Foreign Minister Klaus Kinkel by Bedrich Utitz; place and date not given: "We Do Not Want To Dig New Trenches"]

[Text] [Utitz] There are several European bodies—the Council of Europe, the West European Union (WEU), the European Union (the EC's new name), and NATO. There are different conditions for membership in these bodies.

[Kinkel] According to the Council of Europe in Copenhagen, the countries of Central and Eastern Europe—that is, countries that have concluded the EC association treaty—will have specific prospects for joining only after they meet the conditions for admission. The political dialogue between the European Union and these countries should help bring these countries closer to the European Union. Their possible admission into the European Union will depend on how intensive relations will be between these countries and the WEU. These relations have had the form of consultations with the WEU, since the relations between the European Union and the WEU are very close. I have proposed, together with French Foreign Minister Juppe, that countries of Central and Eastern Europe which have concluded association treaties should be provided with WEU association status. I hope the WEU Council of Ministers will take the first steps to put this proposal into practice. As regards the admission into NATO—Article 10 of the NATO treaty explicitly allows this possibility—we are of the same opinion as our partners in that we must take seriously the security problems of the reformist countries of Central and Eastern Europe. For this reason, a signal from the NATO summit announcing the possibility of admitting new members into the alliance would be very significant. We do not want to dig new trenches in Europe and exclude any country from this process. Rapprochement between our neighbors and the security structures should proceed within the context of pan-European development.

[Utitz] After the reversal in Europe, the Federal Republic of Germany announced that it would help its eastern neighbors integrate into European structures. The Maastricht treaty entered into force just recently. On the other hand, Bavarian Prime Minister Stoiber tries to slow down the integration process. To what extent does this apply to Germany's eastern neighbors?

[Kinkel] The federal chancellor and I, we said in no uncertain terms that the Federal Government would constantly support the process of European integration in the future. We have never understood the integration process and the extension of the WEU to be two contradictory things—particularly with respect to Central and Eastern Europe. Even in the future we will continue in our efforts to make the Central and Eastern European countries participate—quickly and as intensively as possible—in the European integration.

[Utitz] How do you evaluate the current German-Czech relations? What could be improved and what should be dropped to improve our relations?

[Kinkel] German-Czech relations have very good prospects. We and our Czech partners want to build on the Treaty on Neighborly Relations of 27 February 1992. Even now, our bilateral relations are promising in various areas. For the Czech Republic, Germany is the trading partner number one. Cultural and scientific exchanges, too, are developing well.

There are two areas in which we could and should do more. First, contacts between our young people. We must prevent prejudices from arising and prevailing. Second, regional cooperation over the borders, which is in the interests of Germans and the Czechs living along the borders. I hope that administrative prerequisites will be created soon on the Czech side.

Czech-German relations are burdened by the past. The wounds caused by the defeat, occupation [of Czechoslovakia], and expulsion [of Germans] are still painful. We can understand one another only if we talk.

[Utitz] There are a number of objective problems. I would like to mention steel, for instance, which has caused problems on both sides of the border, in Germany and in the Czech Republic. Could it be possible to sort out this problem to our mutual benefit?

[Kinkel] By concluding the association treaty, both the European Union and the Czech Republic opened their markets to their partner's products. The Council of Europe in Copenhagen opened the European Union's market and implemented additional measures. Both the German and the Czech economy have taken this new and great opportunity to engage in mutual trade. The double-digit growth of trade between Germany and the Czech Republic is clear evidence of this. With respect to the new and unusual competition on the markets—you mentioned the steel markets—it is logical that some participants in the market can be irritated. The association treaty provides for removal of obstacles to trade. The European Union is firmly decided to consider the open market to be a very important factor in rapprochement between the reformist countries of Central and Eastern Europe and the European Union.

[Utitz] Despite the fact that the Czech Republic still has to meet certain conditions, the Czech Republic wants to join NATO as soon as possible. However, Yeltsin's letter to four NATO leading countries, and to Germany, has fomented fears that a "new Yalta" is looming. According to one opinion, this letter was Yeltsin's first installment payment to the army for the army's support to Yeltsin against the putschists. Yet, according to another opinion, this letter was quite welcome by some NATO members—Germany excepted. Can you say anything about it?

[Kinkel] First, the possible admission of Central and Eastern European countries into NATO will be an important topic at the NATO summit in Brussels in 1994. We can expect signals to be issued from there.

There is no reason to infer conclusions, like you did, from Yeltsin's letter to the federal chancellor and other Western prime ministers and defense ministers. There will be no "new Yalta." The division of Europe according to spheres of interest belongs to the past. In his letter and during his visit to Warsaw, President Yeltsin stressed the inalienable right of each and every country to decide their defense policy, including joining security alliances. We do not object against Yeltsin's associating Russian interests with this issue. I do not believe that Yeltsin made a concession to the Russian armed forces, as you are implying in your question. After the differences between the East and the West are removed, our goal will be to establish a European security system based on cooperation, in which the security interests of all countries will be taken into account, and in which no new walls will be erected.

Zieleniec, Sussmuth Discuss Czech-German Relations

AU2311155493 Prague CTK in English 1147 GMT 23 Nov 93

[Text] Bonn, Nov 23 (CTK)—President of the Bundestag Rita Sussmuth told Czech Foreign Minister Josef Zieleniec today that the German Government would discuss the Agreement on Czech Republic's Association With European Union by the end of 1993 and submit it to the parliament.

Zieleniec arrived today in Germany on a one-day visit.

At their meeting, Sussmuth praised the level of Czech-German bilateral contacts.

The level need not be evaluated again, she said after the meeting. There have been close bilateral contacts between both our parliaments and governments, she said.

Sussmuth also pointed to the necessity of further economic cooperation and building good partnership with smaller countries such as the Czech Republic, the Netherlands, Belgium, Luxembourg, and Denmark.

Zieleniec stressed the importance of development of bilateral contacts at various levels, which, he said, also help overcome historical prejudices and problems.

He met with Sussmuth one week before the envisaged visit by a Czech parliamentary delegation to Germany. Originally, the visit was to start today, but as it would coincide with Zieleniec's trip, it was postponed for the next week.

Dlouhy: Central Europe Trade Zone Consistent With EC

AU2311130893 Prague CTK in English 1934 GMT 22 Nov 93

[Text] Prague, Nov 22 (CTK)—The Hungarian, Polish, Slovak, and Czech trade ministers will meet in Prague in January to make a definitive decision on shortening the transition period of the Central European free trade agreement (SDOVO) from eight to five years.

In announcing the meeting today, Czech Industry and Trade Minister Vladimir Dlouhy emphasized that liberalization of trade among the four SDOVO states was not inconsistent with their integration into the European Community [EC].

He added that a definite stance on shortening the transition period was still being awaited from the Polish Government, but expressed confidence that it would state its agreement at the Prague meeting. Hungary, Slovakia, and the Czech Republic recently agreed in Budapest to shorten the period, but Polish Government representatives felt they did not possess a strong enough mandate to go along at that time.

Dlouhy also said he disagreed completely with certain Western views that the SDOVO states should dissolve the agreement and develop ties with such countries as Romania, Bulgaria, and Belarus, and then enter an integrated Europe together.

Dlouhy confirmed that Prime Minister Vaclav Klaus had initiated free-trade discussions with Romania during his recent visit there, and said the Czech Republic would even welcome the creation of a free-trade zone with Turkey. He emphasized, however, that this did not signify a decrease in Czech desire for the speediest possible acceptance of the Czech Republic into the EC.

Sdovo eliminated trade barriers for certain non-sensitive products this year, and protection of a so-called second group of products will end at the end of 1996. Protective measures for the third group, consisting of such sensitive goods as steel and agricultural products, will be abolished at the end of the transition period currently under discussion.

President Havel Receives Ukrainian Delegation

AU2311210293 Prague CTK in English 1652 GMT 23 Nov 93

[Text] Prague, Nov 23 (CTK)—Current problems surrounding Ukrainian economic reform was the main topic of today's meeting between the Ukrainian delegation led by Parliament Chairman Ivan Plyushch and Czech President Vaclav Havel, Havel's spokesman Ladislav Spacek told CTK.

Plyushch said that his visit to the Czech Republic, which began Monday [22 November], had showed him the

importance of the financial side of economic reforms and that Ukraine was learning from the Czech Republic's experiences.

Privatization, he said, was not the goal for Ukraine, but a means toward the normalization of ownership relations. Ukraine places stress on preserving social peace, he said.

During the meeting, Havel said that even though the Czech Republic feels itself to be a part of the circle of Western civilization, it wanted to maintain very good relations with all states, Spacek said.

Plyushch's visit, originally planned for three days, will end this evening, according to unnamed diplomatic sources.

Plyushch Meets Foreign Committee

AU2311154093 Prague CTK in English 2132 GMT 22 Nov 93

[Text] Prague, Nov 22 (CTK)—Chairman of the Ukrainian Parliament Ivan Plyushch and members of the Czech Parliament's Foreign Committee today exchanged opinions on the creation of a collective security system in Europe and on relations between Ukraine and its neighbors and other countries.

Plyushch mentioned Ukrainian President Leonid Kravchuk's initiative concerning the calling of an international conference which would look at the new situation and contribute to the creation of a new collective security system.

Chairman of the Czech Parliament's Foreign Committee Jiri Payne said that some West European countries were very badly informed about Central and Eastern Europe. He said that the Czech Republic's decision to orientate its economic, security and foreign policy towards the West could be taken as a constant.

Plyushch said that Ukraine put the most emphasis in its foreign policy on its relations with Russia. Relations with West European countries, he said, were only just being created.

The economy and finance ministers and other officials accompanying Plyushch forecast a great future for economic relations between the Czech Republic and Ukraine, saying they wanted to hear about Czech experiences with managing companies in the post-privatization period. They said Czech capital could make use of the Ukraine transport potential in entering the Asian market.

They also said that in Ukraine there were opportunities for big business in solving the problem of storing and processing foodstuffs.

Later today, Plyushch met members of the Association of Ukrainians in the Czech Republic, and praised their activity in developing relations between the two countries.

Association Chairman Lydia Rajcincova said that Plyushch's visit was one of the first signs that these relations were becoming normal. She pointed to the Ukraine's potential as a market for Czech goods, it being one of the largest countries in Europe.

Plyushch also met Czech President Vaclav Havel, Prime Minister Vaclav Klaus, Privatization Minister Jiri Skalicky and Defense Minister Antonin Baudys.

Privatization Discussed

AU2311183293 Prague CTK in English 1400 GMT 23 Nov 93

[Text] Prague, Nov 23 (CTK)—Czech Privatization Minister Jiri Skalicky told CTK that he did not discuss capitalization of Czech claims in Ukraine at a meeting with Chairman of Ukrainian Parliament Ivan Plyushch today.

Plyushch is currently on a three-day visit to the Czech Republic.

After the meeting, Skalicky said that he agreed with Plyushch on Czech experts' assistance in working out a privatization program in Ukraine. At this occasion, the question of the Czech claims in Ukraine will be settled as well, Skalicky said.

On his trip, Plyushch is accompanied by economy ministers and leading representatives of banks. Skalicky said that the Ukrainian delegation showed interest mainly in the principles, stages, details and consequences of privatization in the Czech Republic.

Plyushch said that the privatization process in Ukraine was only beginning. He stressed that coupon privatization would be one of the main privatization methods to be applied in his country, besides the standard ones.

While the Czech Republic is economically stabilized, Ukraine faces a long period of decline, Plyushch stated.

Havel Amends Penal Law Paragraph 102

LD2311180993 Prague Radiozurnal Radio Network in Czech 1100 GMT 23 Nov 93

[Text] President Vaclav Havel this morning signed the amended penal law that contains the controversial paragraph 102 on the defamation of the republic, parliament, the government and the Constitutional Court. Speaking in Prague Castle he had this to say, among other things, about his decision:

[Begin Havel recording] Because of the prevailing mistaken impression, the illusion has emerged among the public that if I returned this amended bill to the Chamber of Deputies for fresh consideration, and if the amendment was not be accepted this would result in the invalidation of the paragraph [102]. This is a mistake, because even if this happened, the paragraph would still be in force in accordance with the provision that is in force at present. If I returned the amended law to the

Chamber of Deputies and it was not accepted, this would, morever, exclude many other truly new paragraphs contained on that law from coming to force, paragraphs that penalize new kinds of crime as well as provisions that provide stricter sentences for certain criminal acts that are at present reaching a dangerous level. If I took that action I would achieve nothing else than ensuring that the criticized paragraph continues to stay in force, and on the contrary, those paragraphs having the purpose of protecting our society from growing criminality would not come into force.

The newly approved amended law is at the same time tied up with the amended Penal Code, amended law on the serving of sentences, the law on detention, and the law on the function of the state prosecutor, which are to come into force along with this law. If the law was not passed this would complicate, to say the least, the application of these further important norms. For those reasons it would serve no practical purpose if I returned the criticized amended law for further consideration.

Having consulted experts and having compared the amended law with the penal laws of some advanced democracies I have come to the conclusion that that section of paragraph 102 which has been currently subjected to criticism should be dropped from our penal law, above all because the term of defamation is thoroughly uncertain, and because in this very sensitive area concerning the basic rights of citizens it enable various interpretations.

I see the only feasible way of achieving quickly its exclusion by making use of my right given to the president and the law on the Constitutional Court, and I will propose to the Constitutional Court to abolish the relevant section of paragraph 102. I signed and sent this proposal to the Constitutional Court this morning. At the same time I have decided to request the government to reexamine the text of paragraphs 102 and 103 of the Penal Law, and if the case arises to prepare a proposal to modify it partially, whereby it would define precisely the act that is currently termed as a defamation and relate its criminality merely to cases when the Czech Republic, its state symbols and head of state are publicly defamed grossly and unquestionably.

The protection of the esteem of the other constitutional institutions and officials should be secured more effectively by the relevant amendment of those provisions of the Penal Law or other laws, as the case may be, which protect the esteem and honor of all citizens. [end recording]

Issues Statement

AU2311194893 Prague CTK in English 1809 GMT 23 Nov 93

[Text] Prague, Nov 23 (CTK)—The following is a statement by Czech President Vaclav Havel on Article 102 of the amendment to the Penal Code, which concerns the defamation of the republic:

1) Among journalists, and therefore among the public as well, the mistaken impression has arisen that Article 102 of the recently-passed amendment to the Penal code is some sort of innovation which has only just been introduced. This is not the case. The article has been continuously in effect, it has always been possible to use it to make criminal charges, and it can still be used today. The amendment simply changed the wording of the article so that it uses the new titles of the constitutional bodies of the independent Czech Republic and omits the institutions of the now-defunct federation. It is for this reason that I am surprised that none of today's critics noticed the article six months, a year or three years ago and suggested it be removed, if they believed it was outdated. What I find even more surprising is that no reservations were expressed towards the article at the stage when it was being discussed by the government or the parliamentary committees. Through a dominant but false impression, the illusion arose among the public that if I returned the amendment to parliament for rediscussion and it was then not passed, this would cause the article to be removed. This view is mistaken, because even if this were to happen, the article would remain in force, in accordance with the version of the law which is currently valid.

2) If I were to return the amendment to parliament and it was not passed, this would stop many other, genuinely new articles in the amendment from taking effect. These encompass new kinds of criminal activity and also increase the punishments for certain crimes which are multiplying dangerously. Thus all that I would achieve by returning the amendment would be that the criticized article would remain valid while new articles, intended to protect society from increasing crime, would not take effect. The newly-passed amendment to the criminal code is bound together with the amendment to the penal code, the prisons and custody law and the law on state attorneys, all of which are supposed to take force at the same time. If the amendment to the criminal code were to be rejected, it would make the application of these other important laws complicated to say the least.

3) For the above reasons there would be no practical sense in my returning the criticized amendment for rediscussion. I therefore signed it this morning.

4) After consulting experts and comparing the amendment with the Penal Codes of several developed Western democracies, I came to the conclusion that the part of Article 102 which has been the subject of criticism should indeed be omitted from the Czech Penal Code, above all because its concept of defamation is extremely vague, and allows all sorts of interpretations in an area which is very sensitive and concerns basic citizens' rights. As I see it, the only feasible way of achieving the article's rapid removal without the above-mentioned negative consequences would be for me to make use of the presidential right which allows me to propose to the Constitutional Court that it remove Article 102. This morning I sent the Constitutional Court a signed proposal to this effect.

5) I have also decided that I will ask the government to reconsider Articles 102 and 103 of the Criminal Code, and possibly to prepare a proposal for its partial amendment. This partial amendment would precisely—by this I mean in a way corresponding to similar provisions in the Penal Codes of developed democratic states—define the act now known as defamation. It would also make it a punishable offense only in cases where gross, public and undoubted slander of the Czech Republic, its state symbols or its head of state occurs. The protection of the dignity of other constitutional institutions and officials would be better ensured by making the necessary amendments to those articles of the Penal Code, and possibly other laws, which protect the dignity and honor of all citizens. In view of the increasing vulgarity in our public life, I consider this essential.

Novak Defends Slander Article

AU2311193893 Prague CTK in English 1717 GMT 23 Nov 93

[Text] Prague, Nov 23 (CTK)—Czech Minister of Justice Jiri Novak expressed the view today that the wording of Article 102 of Penal Code, referring to defamation of the state and its high officials, was not bad.

I still insist that this is a matter for the court to give an interpretation of what is meant by defamation, Novak told CTK.

Novak said he was not certain of what President Vaclav Havel had meant by his declaration today, by which he justified his signing of the new Penal Code, including the disputed article.

If the Constitutional Court actually removed the word defamation from Article 102, its meaning would be lost, Novak said, adding that even if the Constitutional Court decided to abolish this section of the Penal Code, it would have to do so by reason of its unconstitutionality. Novak said he was not certain whether the unconstitutionality of the disputed article on defamation could be conclusively demonstrated.

Havel signed the new Penal Code today, at the same time recommending that the constitutional court abolish part of Article 102. He also decided to request that the government reevaluate the article on defaming the republic and its high officials according to Articles 102 and 103 of the Penal Code and possibly prepare a partial amendment.

Survey Gives ODS 32 Percent of Vote

AU2311183193 Prague CTK in English 1318 GMT 23 Nov 93

[Text] Prague, Nov 23 (CTK)—If elections were held now, the government coalition Civic Democratic Party (ODS) would be the clear winner, according to a poll conducted by the Prague-based Institute for Public Opinion Research (IVVM) among 1,559 Czechs on November 4-10.

Some 32 percent of those saying they would participate in the elections said they would vote for the ODS. The opposition Czech Social Democratic Party (CSSD) would receive 13 percent of votes and the coalition Civic Democratic Party (ODA) 10 percent.

The opposition Left Bloc (LB) would receive 9 percent of votes, followed by the coalition Christian Democratic Union-Czechoslovak People's Party (KDU-CSL) with 6 percent.

Except for the CSSD, the preference of which remained unchanged in comparison with a similar poll conducted in October, all parties registered increase in their election preferences. The ODS's preference increased by one percent, both ODA and KDU-CSL registered a two-percent rise, the LB a three-percent one.

The poll showed growing interest in participation in the elections. The total of 73 percent of Czech citizens who said they would participate increased by three percent in comparison with the results of the October poll. The willingness to take part in the elections is linked to the respondents' educational level. 87 percent of those answering the question positively are university leavers, while among those with basic education, only 55 percent said they would participate.

The ODS is supported mainly by the people with secondary education (39 percent), higher education (44 percent), young people (39 percent of those aged between 18-29) and residents of Bohemia (35 percent)—while only 26 percent of Moravians claimed to support for ODS.

The support for the ODS declines with the advancing age of those polled.

The CSSD is preferred by people with elementary education and skilled workers (17 percent) and residents of smaller towns (18 percent).

The ODA is more markedly supported in big cities over 100,000 inhabitants (12 percent), by students and apprentices (15 percent) and by farmers (12 percent).

The LB is preferred by citizens aged over 60 (17 percent), residents of villages (13 percent), farmers (18 percent) and residents of south Bohemia (16 percent).

Meciar Responds to Deputies' Questions

AU2311191693 Bratislava REPUBLIKA in Slovak 20 Nov 93 pp 1, 2

[TA SR report: "REPUBLIKA Is Vying for the Reader Without Enjoying Any Prerogatives; Sparks Were Flying at the 24th Meeting of Parliament Yesterday"]

[Excerpts] Bratislava—The topics discussed in the Slovak National Council yesterday, in replies by government members to deputies' questions, included REPUBLIKA. Vladimir Meciar presented to deputy Miroslav Pollak (Christian Democratic Movement) TA SR General Director Dusan Kleiman's reply to his question, from which it transpires that, from the beginning, REPUBLIKA was funded from financial resources allocated from a special account, some of which have already been paid back. The TA SR did not receive any [government] funds to publish the daily REPUBLIKA, Dusan Kleiman states. The prime minister said that the daily must vie for its place on the newspaper market, with its inexorable economic rules, just as arduously as other periodicals.

The deputies approved the bill on arbitration proceedings in international trade and on the execution of arbitration decisions. The bill's submission was motivated by the fact that, by 30 June 1992, there were over 130,000 unsettled commercial lawsuits and, one year later, as many as 190,000. Under the approved law, participants in legal disputes will be able to decide whether to submit their problem to a general court or an arbitration court.

Bibiana Guldanova (Party of the Democratic Left) dealt with the starvation valley of Spis [as published], with the situation in the ZTS [Heavy Engineering Works] Prakovce, and with the unresolved privatization project for this company. Once ZTS Prakovce goes bankrupt, the deputy said, 1,193 people in the Hnilecka Valley will join the ranks of the unemployed and the rate of unemployment will reach 75 percent of the population of working age in the valley. [passage omitted]

"The claim that, under the government of Jan Carnogursky, the rate of unemployment was declining, whereas now it is growing, is tendentious, with transparent political connotations. You disregarded the fact that, between May 1991 and December 1991 alone, the rate of unemployment in Slovakia increased from 4.56 to 11.82 percent, that is, by 185,000 people," Slovak Prime Minister Vladimir Meciar wrote in his reply to an interpellation by Mikulas Dzurinda. During his dismissal from the post of prime minister in April 1991, the state budget showed a surplus of 4 billion korunas, but by the end of the year it turned into an 11 billion koruna deficit. On 1 July 1992 the present government took over a balanced state budget, which, by the end the year, turned into a deficit of about 9 billion korunas, also due to the settlement of the previous government's debts. The nonpayment of about 2 billion korunas worth of bills in health care caused great problems in medication supplies toward the end of that year.

The prime minister drew attention to the fact that objective foreign economic circles, among which he mentioned the IMF, the World Bank, and many others, acknowledge that "the way in which the Slovak Republic has managed to overcome the most difficult phase of its independent development is really a small economic miracle."

The National Council of the Slovak Republic [NRSR] decided to adjourn the government's proposal for the election of members of the Children and Youth Fund Council and members of its Board of Trustees. It did not accept the motion by Deputy Bibiana Guldanova (Party of the Democratic Left) that the parliament recommend to the Slovak Government and the Minister of Education the recall of Jozef Tarcak, state secretary at the Ministry of Education. [passage omitted]

The 24th NRSR meeting ended with a general debate. [passage omitted]

Meciar Denounces No-Confidence Vote in Sobona

AU2311130493 Prague CTK in English 1524 GMT 20 Nov 93

[Text] Bratislava, Nov 20 (CTK)—The motion of no confidence in Health Minister Viliam Sobona on Wednesday [17 November] was not an act of political wisdom, but of hatred, Slovak Prime Minister Vladimir Meciar told Slovak Radio on Friday night.

Many deputies from the Slovak National Party (SNS) voted for Sobona's dismissal, Meciar pointed out and stated that the government was not granted majority support in the coalition with SNS.

According to Meciar, there existed an agreement between the two coalition parties (SNS and Meciar's Movement for a Democratic Slovakia, HZDS), which was breached by the vote on Sobona. For the second time already, the SNS has abrogated, disrespected and denied all the agreements which it had concluded with us. The person who signed the agreement with me has done too, Meciar said, obviously referring to SNS Chairman Ludovit Cernak.

Controversies in the new coalition (concluded on October 19) are mainly due to a rift within the SNS, where some deputies following Anton Hrnko and Vladimir Miskovsky, have challenged the SNS's alliance with the HZDS from the beginning. The fact that the SNS's main promoters of the coalition, Marian Andel and Jozef Prokes, were rewarded with high government posts both were appointed deputy prime ministers, has weakened the position of the SNS's anticoalition wing in the parliament. Cernak has become almost a tragic figure, balancing on the fence between the two factions. When addressed by journalists, he usually answers no comment.

The pro-governmental daily REPUBLIKA today warns that the disunity of the HZDS-SNS coalition might seriously paralyze the government's fitness for action. The daily judges that the instability is being raised by those SNS deputies whose ambitions have not been satisfied, and who are not sitting in the seats they wanted.

If the pro-national movement (HZDS) and the national party (SNS) do not find their modus vivendi by the end of this election period by 1996, when the next elections are scheduled, and if the coalition ends up with a scandal, the Slovak nation will have no strong political representative in the future. Every nation needs one, REPUBLIKA writes.

Leaders of the two parties met on Thursday and agreed to hold such meetings every week. On Friday, Cernak told journalists that situation after Sobona's dismissal had been discussed at the Thursday's meeting. The SNS Central Council will have to define the problem and cut the Gordian knot, Cernak said.

Commenting on the latter statement, Marian Lesko from the left-leaning daily PRAVDA writes that it is not Meciar-like to watch passively as somebody replaces him in treating any Gordian knot, least of all a coalition one. But if Meciar tries to cut it himself, he will cut either the coalition or the SNS. Probably both of them, Lesko states in the daily.

With the agreement concluded, the HZDS-SNS coalition has 80 deputies in the 150-seat Slovak Parliament, out of whom 14 are SNS representatives.

HZDS, SNS Leaders Deal With Coalition Strains

AU2311144693 Bratislava NARODNA OBRODA in Slovak 20 Nov 93 p 2

[TA SR report: "Ivan Gasparovic Tells Radio Journal: The Movement for a Democratic Slovakia Is Not Facing the Threat of Split"]

[Text] Bratislava—Statements denouncing the government coalition, made by Slovak National Party [SNS] representatives Vladimir Miskovsky, Igor Uhrik, and Anton Hrnko at an SNS news conference, and with which SNS Chairman Ludovit Cernak also voiced agreement, were the reason for convening an extraordinary coalition meeting on Thursday [18 November]. The meeting was requested by the Movement for a Democratic Slovakia [HZDS], Ivan Gasparovic, chairman of the National Council of the Slovak Republic [NRSR], told the Slovak Radio's Radio Journal program yesterday at noon.

Responding to conjectures that the vote of no-confidence in Minister Viliam Sobona passed also because of some votes from HZDS deputies, Ivan Gasparovic said that this is not true. As for the coalition partner, Gasparovic conceded that the original motion to recall Minister Sobona had been signed by some SNS deputies, which, however, happened prior to the signing of the coalition agreement between the SNS and the HZDS. He rejected rumors about a split within the HZDS.

Asked what position SNS deputies would assume during the discussion [in parliament] of the Slovak Government report on the implementation of tasks assigned to it by parliament, SNS Chairman Ludovit Cernak replied: "That will depend on the contents of the report. It should be a matter of course in the work of parliament that it should demand from the government that, at regular intervals, it render account of the fulfillment of tasks assigned to it by parliament. The NRSR's cooperation with the government is rather lame [pokulhava] and the SNS will, therefore, strive to introduce a normal regime into this sphere."

[Bratislava SME in Slovak on page 1 carries a 300-word SME correspondents' report on Prime Minister Meciar's 19 November interview for Slovak Radio, in which he accused the SNS of having broken agreements concluded with the HZDS, its coalition partner. The report includes the following passage: "We approached SNS Chairman Ludovit Cernak and asked him whether the objections raised by the prime minister in his radio interview were also conveyed to him during the coalition meeting on Thursday and whether he could confirm rumors, according to which the prime minister said that, at the meeting of the coalition on Monday [22 November], Cernak must either guarantee that his deputies will behave in a manner that conforms with the coalition or the prime minister will demand the abrogation of the coalition agreement. Ludovit Cernak's response was: 'No comment.'"]

SDL Opposes Coalition, Demands Early Elections

AU2311210393 Prague CTK in English 1646 GMT 23 Nov 93

[Text] Bratislava, Nov 23 (CTK)—The Democratic Left Party (SDL) firmly believes that only early elections could solve the current political crisis in Slovakia, SDL Chairman Peter Weiss told journalists today.

He said the SDL rejected the idea of a broader coalition, in which a majority of Slovak parliamentary parties would be represented and which would govern up until the next parliamentary elections, scheduled for 1996. The SDL continues to favor a solution under which political parties would first agree on the date of early elections, and only then would a broader coalition be formed to function in the period up to elections, Weiss said. Such a coalition would be a precondition for changing the quality of policies, cleaning up the political scene and preparing new elections in which parties would be elected according to their programs, he said.

Weiss spoke skeptically of the possibility that new elections would be called in the near future. He said that many deputies from the ruling Movement for a Democratic Slovakia (HZDS), which has 66 seats in the

150-member parliament, would not agree to early election because of the fear of losing their deputy salaries. Besides, there is the danger they would be forced to leave the political scene altogether, Weiss said. Under the Constitution, early elections could be held only on the basis of a referendum or if 90 deputies agree to them, he added.

Weiss said it was unacceptable to the SDL that a broader coalition be formed before standard elections. How can we rely on the people who have violated political agreements thus far not to violate them within a broader coalition? Weiss asked. He said the current coalition parties were interested only in acquiring the additional 28 mandates the SDL has in parliament but that they were not going to share power.

The HZDS is undergoing crystallization and some of its deputies are already unwilling to bear the responsibility for the current political methods, Weiss said, adding that they wanted, however, to remain in politics. The HZDS will either transform or it will break inside, Weiss forecasted.

The chairman of the second strongest political party in Slovakia pointed to the fact that several dozen HZDS parliamentary deputies also hold offices in state administration, thus earning two salaries. These deputies have already estimated how much they will earn in the remaining two and a half years of their election term. It is thus difficult to believe that they would vote for early elections, Weiss said. Opposition parties, he noted, were also afraid of early election given their unfavorable standings in public opinion polls.

Weiss stressed a deep political crisis and a moral mud in which the Slovak policies wallow. He warned against those who are calling for a presidential regime and an expert government. Early elections should have been called in the spring when the SDL proposed them for the first time, he said, adding that eight months have elapsed in vain, bringing no solution to many urgent problems.

SDL Criticizes Hungarian Foreign Policy, Moravcik

AU2311201493 Prague CTK in English 1654 GMT 23 Nov 93

[Text] Bratislava, Nov 23 (CTK)—The Democratic Left Party (SDL), Slovakia's second-strongest political party, sees the remarks made by Hungarian Foreign Minister Geza Jeszenszky Sunday [21 November] as part of a broader Hungarian offensive and a warning for the weak Slovak diplomacy, SDL Deputy Chairman Pavol Kanis said at a press conference today.

Through long-term efforts, the Hungarian Government has purposefully elevated the key problems of Slovak-Hungarian relations to an international and European level and wants to exert its diplomatic strength in international society in the creation of the content of the basic political agreement between Hungary and Slovakia, Kanis said.

In Debrecen on Sunday, Jeszenszky said that Hungary would not sign bilateral agreements on mutual relations with Slovakia and Romania as long as the rights of the Hungarian minorities in these countries were not observed.

Kanis said that Hungary was relying on the West European stability pact initiative ensuing from the so-called Balladur plan. It is necessary to secure stability in relations between states, he said, through liberal bilateral agreements containing clauses on the problems of minorities.

It is necessary to understand Jeszenskzy's statements, Kanis said, as a signal of the cooperation of Hungarian foreign policy with these initiatives. This raises the question of how Slovak foreign policy looks in this light. Even if Slovakia, as a new state, has objective problems in gaining membership to European political life, it is not possible to ignore the low-quality work of its foreign policy, he said.

Kanis reproached Slovak Foreign Minister Jozef Moravcik for not once finding time to meet with opposition parliamentary parties. Slovak foreign policy, he said, had in a year and a half not once been discussed by parliament. If this continues, Slovakia may be in an unfavorable position regarding problems of bilateral relations, he said.

Press Comments on Delay in Visit by Jeszenszky

AU2311173393 Prague CTK in English 1312 GMT 23 Nov 93

[Text] Bratislava, Nov 23 (CTK)—Since there is no good news about the economy the Hungarian Government is again seeking to divert attention to the plight of Hungarian minorities living abroad, particularly in Slovakia and Romania, the independent daily NARODNA OBRODA comments in the light of Hungarian Foreign Minister Geza Jeszenszky postponing his visit.

On November 20 the Hungarian Foreign Ministry announced that Jeszenszky's visit had been indefinitely postponed because it was unacceptable that the planned opening of a new border crossing at Letkes-Salka should be connected to the signing of a Hungarian-Slovak readmission agreement, as Bratislava had demanded.

According to NARODNA OBRODA, the Hungarian Government was once again portraying itself in the role of the suffering and trying to persuade the people that it alone was entitled to deal with the problem and resolve it in Hungary's own interests. However, stirring up these old spirits is ultimately not in Hungary's interest, the daily claims. This shortsightedness could cost Budapest—as well as Bratislava—its ardently desired membership in West European economic and security structures, since the West is so terrified of any sort of instability.

Bratislava will survive the delay of the visit, the daily comments. It wonders whether the gesture will help Jozsef Antall's Government survive. If the Hungarians do not consider it necessary to negotiate then that is their problem. Slovakia will patiently await a new government that will be more reasonable and accommodating, the paper concludes.

A commentator on the left-leaning PRAVDA, Julius Lorincz, writes today that Jeszenszky's comments about racism towards Hungary in the European context took his breath away. It is the foreign minister's strange pre-election campaign. But Europe has had bad experiences with nationalism, he comments.

PRAVDA points out that many politicians in Slovakia and Hungary want a bilateral agreement that would contain guarantees for ethnic minorities and a mutual declaration of the inviolability of state borders. For Slovakia, a new state in the region, a guarantee on borders is vital.

The opposition daily SME reproaches Slovak Foreign Minister Jozef Moravcik did not consent to the opening of the Salka-Letkes border crossing but instead insisted that Slovakia would only sign the agreement on borders when Hungary was willing to sign the readmission agreement.

It is a pity the Slovaks did not hand the Hungarian foreign minister a more positive subject which he could then present to the voters in Debrecen (eastern Hungary). He would doubtless have liked to score points by relating that very shortly he and his colleagues from Slovakia would be opening the border crossing, the daily comments.

SME warns against immediately seeking signs of Hungarian ill will behind the fact that the deal was not struck. Deporting illegal immigrants is a sensitive issue in which every country should firmly defend its interests, it concludes.

Moravcik Responds to Jeszenszky Statement

AU2211175093 Prague CTK in English 1215 GMT 22 Nov 93

[Text] Bratislava, Nov 22 (CTK)—Ethnic Hungarians living in Slovakia have all minority rights guaranteed and nothing bars a Slovak-Hungarian agreement from being signed, Slovak Radio today quoted Slovak Foreign Minister Jozef Moravcik as saying in reaction to the statements made by his Hungarian counterpart on Sunday.

At a meeting in Debrecen, Hungary, Hungarian Foreign Minister Geza Jeszenszky said that Hungary would not sign fundamental bilateral treaties with Slovakia or Romania until the basic rights of Hungarian ethnic minorities in those countries were guaranteed.

Moravcik was quoted as saying that he did not find Jeszenszky's statements to be of extraordinary importance and found them rather a part of the pre-election campaign in Hungary, where the elections are slated for mid-1994.

The radio also quoted Ivan Laluha, head of the Foreign Committee of the Slovak Parliament as saying that Jeszenszky's statements do not correspond with the real conditions in which the ethnic Hungarians lived in Slovakia.

In opposition to this, chairman of the ethnic Hungarians' Hungarian Christian Democratic Movement (MKDH) Vojtech Bugar, said that he did not see any reason for the agreement not to include a clause on Slovakia's guaranteeing minority rights on its territory. It is time for the representatives of Hungary and Slovakia to meet and discuss the most urgent problems in their countries' relations, Bugar stated.

Some 560,000 ethnic Hungarians live now in Slovakia, while the Slovak minority in Hungary makes up 200,000.

REPUBLIKA Criticizes Czech Arms Trade

AU2311165093 Prague CTK in English 1325 GMT 20 Nov 93

[Text] Bratislava, Nov 20 (CTK)—When the federal Czechoslovak Government was dispensing propaganda about stopping the sale of arms and converting the arms industry to peaceful production, the Czechoslovak arms trade secretly continued—to the advantage of the Czechs and at the cost of the Slovaks, REPUBLIKA, the daily published by the Slovak News Agency TA SR, comments today.

It claims the trade was conducted by the then Foreign Trade Minister Jozef Baksay and the deputy Stefan Glezgo. While the Federal Government allocated 900 million crowns, about $30 million, for conversion, only a third of which went to the ailing Slovak factories, billions were made from arms trading, the paper alleges.

Federal Premier Marian Calfa was often accompanied on trips abroad by Czech arms industry delegations who made lucrative contacts in foreign markets.

Today's revival of the Czech arms industry testifies to the fact that trade continued. Many top projects are these days awarded to the Czechs, according to the daily.

The daily concludes by welcoming the Slovak Government's recent decision to establish a state joint stock company for arms production, which should grant it the chance to compete on the world market again.

Discrepancy Between Budget, Forecasts Highlighted

AU2311141093 Bratislava SME in Slovak 19 Nov 93 p 4

[Commentary by Ivan Stulajter: "Quo Vadis, Julius Toth?"]

[Text] The best way to deplete a country's foreign exchange reserves is to speak for months about the introduction of an import surcharge. The endeavor of the entrepreneurial sphere, households, but also the public sector to stock up on the still "cheap" foreign goods becomes logical. And demand for foreign exchange grows.... This feat was pulled off by Finance Minister Julius Toth. The developments ultimately resulted in the koruna's devaluation.

In March 1993, the government issued a decree on conditions for exempting businesses established after 31 December 1992 from the income tax. The decree was drawn up by the Slovak Ministry of Finance. In its draft of the state budget for 1994, the Ministry of Finance recommends that this government decree be abolished. In other words, it recommends a change in the rules after the match has started. If the Ministry of Finance manages to assert its viewpoint during the approval of the final version of the budget in the government, we will be able to add another minus to Slovakia's record in the sphere of the country's credibility for the influx of foreign capital. If for no other reason, then because our Finance Ministry does not know what it wants.

The draft state budget for 1994 is based on the assumption of a zero growth of gross domestic product (GDP). To this corresponds the projected budget deficit of 5 percent of GDP (16 billion Slovak korunas). The Forecasting Institute of the Slovak Academy of Sciences, however, assumes a 3-4 percent decline of GDP next year. If its estimates come true, the result will be a shortfall in some projected budget revenues and the size of the deficit will grow. In its draft state budget, the Ministry of Finance also reckons with an unemployment rate of 17 percent, yet the report on the problems of the Slovak Ministry of Economy that ex-Minister Jaromir Kubecka submitted to the National Council of the Slovak Republic Economic Committee speaks about unemployment reaching 23.7 percent in 1994. This increases further the risk of the planned deficit being exceeded, on account of growing expenditures on unemployment support.

The government pledged its word to the IMF that it will keep this year's budget deficit under 16 billion Slovak korunas. Even though the Ministry of Finance is doing everything possible and impossible, everything suggests that it will not meet this criterion. The deficit is estimated at 20-30 billion Slovak korunas. The Finance Ministry's "impossible" efforts include its repeated endeavor to reduce the range of policy holders, whose insurance premiums are paid by the state, but, above all, its endeavor to achieve that the insurance payments collected by the National Insurance (NP) from employees and employers in January 1994 for December 1993 be counted as income of the state budget. This would deprive the NP of 6 billion Slovak korunas, but the Ministry of Finance would improve its budget balance. There is no need to guess at whose expense.

According to the law on the organization of ministries, the ministry is headed by the minister. Who knows where this man is going...?

Antall In Hospital; Cancer Ruled Out

LD2311154293 Budapest Kossuth Radio Network in Hungarian 1500 GMT 23 Nov 93

[Text] Jozsef Antall is in the hospital because of flu. According to a communique by the prime minister's press office, the head of government is being treated at the teaching hospital of the Budapest Semmelweis Medical Science University. Doctors have already carried out tests for the core illness [alapbetegseg]. On the basis of the findings they have ascertained that the reappearance of Jozsef Antall's previous ailment, the so-called non-Hodgkin lymphoma [a kind of cancer], may be ruled out, the communique states.

The prime minister returned home from Cologne at the beginning of the month. He had been treated there [for cancer] for a month and was operated on as well.

Christian Democrat Leader Views Media Issue, Elections

AU1911202093 Budapest PESTI HIRLAP in Hungarian 19 Nov 93 p 5

[Interview with Laszlo Varga, deputy chairman of the Christian Democratic People's Party, by Ferenc Sinkovics; place and date not given: "The Christian Democrats Are Preparing For Victory"]

[Excerpts] [passage omitted] [Sinkovics] I remember that the Christian democrats were the first to expound their worries about the Hankiss-Gombar duo [former chairmen of television and radio]. They touched a wasps' nest and there has not been peace in the media ever since. [passage omitted]

[Varga] I can see that many people have tried to grasp the essence of the war around the media, but most have come to false conclusions. A very simple and easily understandable pattern prevails in the Television and the Radio. Strong interest groups were formed in the past 40 years in all areas of public affairs. Naturally, the same happened in the Radio and Television. We, Christian democrats, feel that the intertwined interest groups of the socialist system are still sitting in the media. In addition, people are unable to rid themselves of the habits and conditioning that are based on their own opinions and the interests of the various lobbies, rather than on unbiased public service. [passage omitted]

[Sinkovics] If I exaggerate a little, I can say that [Television Deputy Chairman] Gabor Nahlik is mentioned by the world press as often as [football player] Ocsi Puskas was in his time. Puskas was glorified, but Nahlik is being spat upon....

[Varga] I feel that the violent attacks by the international press are an artificially generated hysteria. As a matter of fact, I do not even know why Nahlik is fired on so vehemently. [passage omitted]

[Sinkovics] We have already mentioned the international press.... I wonder how it is possible that the so-much-admired West believes all reports of the Hungarian opposition on the media issue at first sight?

[Varga] In my view, the most important problem is that few people in the West fully understand the Hungarian conditions. Therefore, for them, the signals received from Hungary might as well seem true. The other thing is that a person who sends messages to the West or telephones the West already has established relations and knows precisely which newspaper or television company would welcome the one-sided, often strongly distorted information from the Hungarian opposition. The well known letter by Tom Lantos was also written as a result of these kinds of news. Actually, Lantos made important statements without first getting information for himself in Hungary. [passage omitted]

[Sinkovics] The law on compensation was one of the most important laws of the change of the regime. I mainly mention this because, as far as I know, people's capitalism, one of the favorite theories of the Christian Democratic People's Party [KDNP], is closely linked to the issue of land compensation. Will it ever be possible to establish in Hungary the social basis of small- and medium-size owners, the broad strata that is often mentioned by the KDNP?

[Varga] I would first like to say that we are very strict on land issues. You will be familiar with the Christian democratic "theses" according to which a piece of land in private property would not be allowed to exceed 300 cadastral acres [1 cadastral acre equals 1.42 acres]. And we are completely opposed to the idea of foreigners buying Hungarian land. [passage omitted] As for people's capitalism, we indeed think that a broad strata of small- and medium-size proprietors should be established in this country. To achieve this, we would naturally need economic growth, which has been urged by the KDNP for a long time, and which could mainly be speeded up by establishing a fair taxation system. We generally consider the establishment of a just tax system very important, and that the employees do not only get small wages, rather, with the help of their interest protection organizations, they also take a fair share of the produced goods.

[Sinkovics] Let us change the subject. The parties are becoming busy, but many people think that while the other political groups have already begun a noisy campaign, there is still silence at the KDNP. At the same time, the 1994 elections are approaching with dangerous speed.

[Varga] I would like to begin by saying that the KDNP has developed most dynamically of all parliamentary parties. Three years ago, it only had 3,000 members and now we are near to 25,000. This is more than an eight-fold increase in membership. If we are as gray as we are said to be, then how do you explain this spectacular advance? As for the elections, I would not like to make

predictions. I can say that the current coalition will not gain an absolute majority. The opposition will not, either. To take the parties one by one, the Hungarian Democratic Forum's [MDF] membership has significantly decreased, the Independent Smallholders Party has broken into four, the Alliance of Free Democrats has already had three changes of guard, and some major pillars have left the Federation of Young Democrats. Whichever way I look at it, the next coalition will consist of the KDNP, the MDF, and another party. There is only one party, more precisely, the current leadership of the Hungarian Socialist Party, with which the Christian democrats cannot negotiate. [passage omitted]

MIEP Chairman Views Party's Policies

AU2311120393 Budapest NEPSZABADSAG in Hungarian 20 Nov 93 p 19

[Interview with Lajos Horvath, co-chairman of the Hungarian Justice and Life Party, by Erno Balogh and Lajos Pogonyi; place and date not given: "Either the Soup or the Plate Is Bent—Lajos Horvath on the Antall Government, Extremes, and Performance of Hungarianness"]

[Excerpts] [NEPSZABADSAG] A number of people believe that you left the Hungarian Democratic Forum [MDF] because you were resentful. The point was that Laszlo Szendrei, rather than you, was appointed as successor to Erno Raffay, political state secretary at the Defense Ministry [HM]. You also recently said that you do not like the Moscovite spirit in the Defense Ministry. These are strong words—is the situation as serious as this?

[Horvath] I am not a resentful person, but it is a fact that the appointment of Szendrei was unfortunate. Just as the whole government reshuffle implemented at that time was unfortunate. What upset me was the fact that Szendrei's appointment did not represent a real change of the regime in the HM. There are many generals in the HM whom I respect, nevertheless, this kind of Moscovite spirit can be seen both in the HM and in the leadership of the non- combatant troops. [Workers' Party Chairman] Gyula Thurmer's people attend the sessions of the Zrinyi Academy [officer training school] and the military board [katonai kollegium]. Dozens of them are Moscovites, which is unfortunate.

[NEPSZABADSAG] We cannot add anything to this but we know that you suggested the establishment of rapid deployment units in the Army.

[Horvath] Yes. I made myself familiar with military issues and wanted to work in the area of defense. I had hoped that my work would be recognized. I was also blocked in this area and I was not able to execute my plans. I realized that the role of a faithful quiet person had been assigned to me and I should not express my views because they were too strong for the softness of the MDF. It all became too much when [Foreign Minister] Jeszenszky submitted the Ukrainian-Hungarian agreement. [passage omitted]

[NEPSZABADSAG] Is it true that the Hungarian Justice and Life Party [MIEP] is willing to vote for the 1994 budget if the government approves the changes in the television and the radio?

[Horvath] Our votes do not depend on this. If the budget fails then the government would also fail.

[NEPSZABADSAG] However, you will not do this favor for the opposition?

[Horvath] Correct. We are not interested in early elections. We are getting organized as a party and we do not want this government to fail. The government should now finish what it started even if what it is doing is not good. This is to prevent the government from saying that it was unable to perform the many wonderful things because it was turned out of office. [passage omitted]

[NEPSZABADSAG] You have stated a number of times that [writer] Gyorgy Konrad and his group are trying to financially destroy the country. When I asked Gabor Kuncze, chairman of the Alliance of Free Democrats [SZDSZ] parliamentary group about this, he said that this was nonsense and was not worth reacting to. What do you say to all this?

[Horvath] In your view, is it not destructive if a few hundred thousand people remain in a privileged position and the masses slide down?

[NEPSZABADSAG] Excuse me but what does this have to do with Gyorgy Konrad, the writer?

[Horvath] Putting the country at the IMF's mercy is a similarly destructive. Konrad and his group are the initiators of a financial lobby that is gaining increasing power throughout Central Europe.

[NEPSZABADSAG] It is one of the MIEP's favorite ideas that it would be good to reschedule the foreign debts. We quietly note that Thurmer's Worker's party and Erzsebet Gidai, economic expert of the National Democratic Federation, also want something similar. Are you not bothered by the fact that the foreign lenders clearly reject this idea and these kinds of demands only make our situation more difficult regarding further loans?

[Horvath] Rescheduling the debts would probably be a catastrophe for those who then would not receive the annual $4 billion to 5 billion extracted from the unfortunate Hungarians. We have to discuss this issue with the economists.

[NEPSZABADSAG] I do not want to be indiscrete but could you tell us who these economists are who would suggest a rescheduling that would have catastrophic consequences?

[Horvath] I cannot tell you the names of these experts because they fear for their jobs. Our secret advisers are serious and good people. We have to examine which foreign bank would be willing to accept our suggestions

and to what extent. If the country cannot rid itself of this huge burden for one or two years then we will never get out of the current crisis.

[NEPSZABADSAG] Let us remain with the economy. As far as we know, you are severely opposed to the liberal market economy and are only thinking in terms a social market economy. How do you plan to implement this?

[Horvath] The problem is that the liberal market economy is not social.

[NEPSZABADSAG] Pardon me but why should it be? It would be an economic nonsense....

[Horvath] This is true. After the reserves of the past system had been exhausted, free capitalism and the free market were let loose on this society that used to live in relative order but without a market. We suggest a slower, more gradual, and more planned privatization instead. [passage omitted]

[NEPSZABADSAG] Do you know what is interesting? When the issue is the budget or the amendment of the value added tax, then you are in opposition, but when it comes to the media issue then you support the government. Just how is this?

[Horvath] This is very simple. Our starting point is the national interests. We do not have friends or enemies, we only have interests that coincide with the nation's interests.

[NEPSZABADSAG] Does this mean that what is happening in the television and the radio are in the national interest?

[Horvath] This is not the point. It is in the national interest that it should not be possible to depict the country in a false way. Whatever anyone does, this country does not have any extremes. However, this is what the "Egyenleg" [Balance, former television news program] suggested in its broadcast [in October 1992]. [Egyenleg chief editor] Bano wanted to show that a fascist crowd was protesting against the president of the republic. Hungary does not have either fascist or communist crowds. We are a calm people, although I know that this is not newsworthy. We do not have extremes even if certain journalists would like us to have them.

[NEPSZABADSAG] Economic crises, rather than a false television program can create an extremist atmosphere....

[Horvath] This crisis was created by the regime that also created the 20 billion [currency not specified] debt. This is the money that was taken out [of the country] by [now Hungarian Socialist Party Chairman] Gyula Horn in a bag and that was sent to Vietnam and Cambodia.

[NEPSZABADSAG] Let us remind you that this issue has long been cleared with the help of the chief prosecutor and, as a matter of fact, Horn did not have anything to do with it.

[Horvath] We also have our own view on the chief prosecutor. [passage omitted]

[NEPSZABADSAG] In your definition, the MIEP is a moderate right-wing party. Who can stand to the right of you?

[Horvath] This country does not have any significant extremism. The case of the fascist young man imprisoned in Gyor was blown up....

[NEPSZABADSAG] We meant in political life.

[Horvath] In my view, there are no extremes on the current political palette.

[NEPSZABADSAG] Not even on the left wing?

[Horvath] Only Thurmer's group in the sense that they want to bring back the old regime, therefore, they are not based on democracy.

[NEPSZABADSAG] Hungarian Interest Party?

[Horvath] I do not know what this party wants. I do not know anything about them other than that they wrote their name in runic script.

[NEPSZABADSAG] In an interview, you mentioned that you are willing to work together with the honest left. Whom did you mean? In fact, who can decide who belongs to the honest left?

[Horvath] This once, it is not the person who can also decide who is anti-Semitic. In my view, the honest left wing are people who for example are working in the National Democratic Federation, or the social democrats. Zoltan Biro for example.

[NEPSZABADSAG] It was also you who said that the MIEP is similar to the Turkish Justice Party. In what way is it similar?

[Horvath] This party did not accept the peace dictates and did not allow territories to be taken away from the country. We will not voluntarily give up the territories that were detached from us, either.

[NEPSZABADSAG] We do not know much about your party's election program.

[Horvath] We will probably have a program that changes the pattern. Our goals on important issues are completely different from that of the other parties. We have not published them because we would not like other parties to include our efforts in their program.

[NEPSZABADSAG] Do you find it strange that Emil Bogdan, author of the scandalous radio commentary entitled "Who Is My Brother," is your expert on national minority affairs?

[Horvath] No, because Bogdan is very concerned about the fate of the Hungarians living over the border and in Hungary, and about the national minorities living here. [passage omitted]

[NEPSZABADSAG] In your statements you often mention the nation, in such a way as if it was something completely homogeneous. However, it is much more characterized by diversity. Do you agree with this?

[Horvath] Yes. In my view, the most important national interest is that the Hungarians, keeping their cultural and linguistic character, join Europe.

[NEPSZABADSAG] You were planning to examine the "Hungarianness performance" [magyarsagteljesitmeny] of your candidates before the elections. What should we understand by this?

[Horvath] This is not my invention and we had many debates over this in the executive committee. In my view, all it means is that we look at the extent to which the candidate is committed to preserving our national culture and traditions. I cannot think of anything else and I do not think that we could find other criteria.

Military Expert On Costs of Integrating Into NATO

AU2311190693 Budapest MAGYAR NEMZET in Hungarian 23 Nov 93 p 5

["V.Z."-signed report: "Our Army and NATO—The Restructuring of Our Military Technology Would Cost Hundreds of Billions"]

[Text] These days, while decisive political forces in Hungary would like to "push" Hungary into NATO's arms as soon as possible, it is becoming increasingly clear that this can only take place slowly and gradually. In the course of joining NATO, the countries in waiting, including Hungary, must fulfill several political, security policy, and economic conditions. However, very little has been said so far about the organizational and technical restructuring that needs to be carried out in the Army. Military expert Tibor Koszegvari spoke about this to our correspondent.

As we learned from Tibor Koszegvari, there are specific military conditions to joining NATO and the Western European security organizations in general. For example, the joining of Greece, Turkey, Portugal, and Spain was also preceded by some measures. First of all, they had to train their officers and warrant officers, and then the general army personnel in NATO's military, strategic, and tactical principles and military structure. A further task was to restructure their military technology and equipment to fit in with the technology applied in the military organization.

Of course, Tibor Koszegvari pointed out, we do not have to take the conditions of the U.S. Army or the German Army as a basis, but it is extremely difficult to imagine the joining of the former Warsaw Pact countries with their current Eastern military technology. Our telecommunication system is different, and so is our system of technical and material supplies. For example, there can be a problem if, during military exercises or a tense international situation, Eastern aircraft are flying in NATO airspace, and we can contact neither NATO's radio network nor its camouflage system. All this would lead to hundreds of billions in expenses for the Hungarian Government. Therefore, we can only count on a gradual change.

Foreign Ministry Explains Delayed Visit to Slovakia

AU2311180293 Prague CTK in English 1423 GMT 23 Nov 93

[Text] Budapest, Nov 23 (CTK)—Hungarian Foreign Ministry spokesman Janos Herman reconfirmed today that Foreign Minister Geza Jeszenszky postponed his visit to Slovakia because the Slovak Government made the previously agreed opening of a new border crossing conditional upon the signing of the readmission agreement.

He said Hungary considered Slovakia's demand unacceptable.

The Hungarian Foreign Ministry announced Jeszenszky was delaying his visit on November 20.

Herman told journalists that Hungary did not intend to respond to the various attacks made by certain Slovak parties and individuals. What was important, he said, were the comments Slovak Foreign Minister Jozef Moravcik, made: His speeches and the speeches from the Hungarian side assert that the visit is necessary and that the conditions in which it can take place need to be created. The Hungarian side has clearly said why the visit was postponed and also that, once the conditions have been agreed on, it will still be ready to conduct the visit, Herman said.

When asked to comment on Jeszenszky's recent statement that Hungary would not sign a bilateral accord with Slovakia or Romania until these states guarantee the rights of ethnic minorities, Herman said that it was important that any basic bilateral agreement contained ethnic rights guarantees in some concrete form.

Regardless of our own views, these problems are real and do have an influence on bilateral relations, he said. It would not be an exaggeration to state that Slovakia has not yet fully come round to this, not even if we take the criteria recommended by the Council of Europe as our yardstick.

Herman maintained that the Central European region was troubled by xenophobia and intolerance, which were not infrequently directed against Hungarians. Real anti-Hungarian measures were well known, and there was no need to mention them again, he said.

Slovakia is home to about 560,000 ethnic Hungarians—11 percent of the total population.

Official on Western Attitude to NATO Membership

LD2311161093 Warsaw Radio Warszawa Network in Polish 1500 GMT 23 Nov 93

[Text] A meeting of Polish and German defense department secretaries to promote a book about the Bundeswehr could really be called a news conference. Questions asked by journalists concerned joint Polish-German field training, the role of the Federal Republic and its army in Europe, the militarization of our western neighbor, and our country's membership in NATO. Jerzy Milewski comments on Minister Joergen Schoenbohm's reply to the last question:

[Milewski] The western politicians have never given a negative reply. They always make diplomatic statements and say that [Poland's NATO] membership will be possible, but they do not want to say precisely when and they do not want to say precisely how. This is not only because of bad will. They simply do not have any idea themselves about how this process should take place and what their own electors will say on the subject.

Germany To Support Poland's Efforts To Join NATO, EU

LD2311145993 Warsaw PAP in English 1334 GMT 23 Nov 93

[Text] Warsaw, Nov. 23—Sejm (Lower House) Speaker Jozef Oleksy received German Ambassador to Poland Johannes Bauch on Tuesday. During their conversation the sides assessed the state of Polish-German relations as very good, the Sejm's chancellery has reported.

Referring to Chancellor Helmut Kohl's statement of support for Poland, Ambassador Bauch declared that Germany will support Poland's efforts to join the European Union [EU], NATO and the European security system.

The sides highly assessed the contacts between the Polish and German Parliaments. Oleksy announced that a Polish-German parliamentary group will be established soon.

Membership 'Question of When'

LD2311211993 Warsaw PAP in English 2004 GMT 23 Nov 93

[Text] Warsaw, Nov. 23—Poland's NATO membership is "not a question of whether but when and how," the secretaries of state in the Polish and German Defence Ministries said in Warsaw on Tuesday.

During the promotion sale of the book "Im Dinste Der Friedenssicherung. Zur Geschlichte Der Bundeswehr Von 1955-93" (In the Service for Peace. Bundeswehr 1955-93), Jerzy Milewski said that Poland wants to join the Western European economic, political and military structures to, among other things, discourage some Russian politicians from saying that the territories of central and Eastern Europe are allegedly their historical sphere of influence.

Joerg Schoenbohm added that he cannot say anything about when Poland will become a NATO member since this must be decided on by members of the organisation.

Police Seize Over Two Kg Uranium in Lublin Province

LD2411101393 Warsaw Radio Warszawa Network in Polish 0900 GMT 24 Nov 93

[Text] [Announcer] Over two and a half kg of radioactive material has been found by police in a village in Lublin Province [eastern Poland].

[Correspondent Wolski] A preliminary inspection carried out by experts from the Central Laboratory of Radiological Protection indicates that the police managed to seize about two and a half kg of uranium. This is one of the largest hauls in the world of fissile material seized by police.

The uranium was stored in lead containers in one of the villages near Lublin. Luckily, the experts have not reported any radioactive contamination there.

At the same time as the seizure of uranium, a criminal group of a dozen or so men was apprehended. They had been attempting to sell radioactive material abroad. The group consists of Polish citizens and citizens of several CIS countries. The investigation is in progress.

Customs Seize Radioactive Material at Ukrainian Border

LD2311193793 Warsaw PAP in Polish 1837 GMT 23 Nov 93

[Text] Warsaw, 23 Nov—During checks carried out today at the Hrebenne border crossing to Ukraine, border guards thwarted an attempt to smuggle a powerful radioactive substance into Polish territory. The substance was found on a bus, Jaroslaw Molga, spokesman of the border guards, told a PAP journalist today.

The substance was made safe by the chemical and radiological services. A team from the Central Laboratory for the Radiological Protection has been testing the seized material.

Spokeswoman on Attempt To Smuggle Arms to N. Ireland

LD2411104993 Warsaw PAP in Polish 0925 GMT 24 Nov 93

[Text] Warsaw, 24 Nov—The State Protection Office [UOP] has uncovered an attempt to purchase and smuggle arms from Poland to east Belfast in Northern

Ireland by one of Irish terrorist organizations, UOP spokeswoman Irena Popoff announced on Wednesday.

In cooperation with the British authorities the illegal deal was put under surveillance. It was agreed that the consignment would be seized in one of the British ports, and this took place on 23 November.

The haul contained, among other things, over 300 AK-47 guns, two tons of explosives, pistols, grenades, and a large quantity of ammunition.

The uncovering by the UOP of the illegal transaction was made possible thanks to an efficient system of security in the Polish arms industry.

Central Planning Chief on Economic Growth

WS2311123093 Warsaw RZECZPOSPOLITA in Polish 23 Nov 93 p 5

[Interview with Minister and CUP Director Miroslaw Pietrewicz, by Antoni Kowalik: "Things Are Not As Good As CUP Thinks"]

[Text] [Kowalik] What is your assessment of the current situation of the Polish economy? Is it better than what it seems on surface, has nothing changed, or is it worse than it used to be?

[Pietrewicz] The description you used when you said "Better than what it seems on surface"—fits the current situation very well. Economic statistical indicators and figures have been good for some time now. That is an undisputable fact. But the problem is that individual households throughout the country cannot really feel the impact of that statistical improvement. It does not find its expression in earning levels, income levels, or in consumption levels by Polish families in general. When it comes to the budget sector, there is no improvement, either. There has even occurred a deterioration there, as demonstrated by the level of debts incurred by budget-sector institutions of the education and health-service areas. That means that things are not as good yet as the Central Planning Administration [CUP] thinks they are.

[Kowalik] What is your forecast for this year? What will the end-of-the year economic figures be like?

[Pietrewicz] When it comes to industrial output and the size of the gross domestic product [GDP], my forecast is optimistic. CUP predicts that the developmental trends will continue. Currently, we cannot see any dangers to the continuation of the positive trends that have emerged earlier. We regard the fall which occurred in October, as a seasonal decrease in economic growth. After all, there was no real decrease.

[Kowalik] But your forecast departs from the 7-percent increase in the GDP which was predicted by CUP before. How did this drop in optimism occur?

[Pietrewicz] I would say it was an official kind of optimism, which was exaggerated. Earlier than that, a desire to achieve a doubling of the GDP within eight years had been announced. To accomplish that, CUP was trying to create a program which would make this growth statistically possible. But in real terms, there could be no question of that happening, unless of course there occurred a number of exceptionally favorable events, like for instance a definitely more substantial foreign assistance. In any event, there are not even any institutions present, which could render that kind of growth possible. Recession in the West is another factor that prevents making such optimistic forecasts, as well.

[Kowalik] So in that case, what can we expect over the next four years? Which of the three scenarios prepared by CUP will you decide to recommend to the government as the most realistic? Will it be the slightly optimistic one with a GDP growth of about 5 percent, the optimistic one with a 5.5-percent growth, or the pessimistic one with a 2.8-percent yearly GDP growth rate?

[Pietrewicz] We took a look at the potential economic development in three options: A pessimistic option, a moderately optimistic option, and an optimistic one. We regard the moderately optimistic option as relatively realistic, after some limited preconditions are met.

[Kowalik] What would be a direct consequence of such a program?

[Pietrewicz] A drop in the unemployment rate. That will be our main goal for the next several years. So the other kinds of parameters—like production-growth rate, investment rate, or the rate of growth in foreign trade—these will be shaped and supported by the government in a way which will make it possible to achieve the fundamental goal of a drop in unemployment. So we are suggesting various new kinds of institutions, we are widening the range of measures designed to revive exports and investment activities, as well as those designed to create the kind of social conditions under which it would be possible to reduce unemployment as much as possible, while at the same time trying to achieve the appropriate and desired rate of growth. We assume that the unemployment rate will decrease by about 5 percent, which would bring it down to a level of 13 percent. That would be quite a success, under the conditions we are in.

[Kowalik] You mentioned some limited preconditions which have to be met in order to make that realistic. What kind of preconditions are these?

[Pietrewicz] First of all, investment and export demand must definitely be made more dynamic, in order to substantially increase the growth-rate of domestic production, compared to what it is now. I mean it has to be raised from the current level of 4 percent, to about 5 percent.

[Kowalik] How does one go about making exports more dynamic?

[Pietrewicz] Mainly by undertaking economic measures, like creating institutions providing credits to export-oriented producers, and also institutions which would secure against economic risk. Also by supporting pro-export investments, and by signing international agreements facilitating establishment of contacts, promoting our merchandise, and foreign trade. And also by initiating financial benefits which would support export-oriented producers.

[Kowalik] Are the obligations which the current coalition took upon itself a burden in implementing this kind of growth program?

[Pietrewicz] The entire economic strategy being proposed, is also a consequence of the obligations you asked about. Naturally, the tasks that the government took upon itself in the social area, are a burden of this kind. But the Polish economy needs to be modernized and restructured, and this requires enormous financial expenditures. But we have to realize that no reforms can ever be implemented without social approval, not just in Poland. Social approval is the fundamental precondition of the success of these reforms. What is also at stake is changes which are supposed to improve our European ranking. So this social program is necessary also for that reason, perhaps primarily for that reason. Lessening the social cost of the reforms is a condition of the reforms' success. So this is not just about our sensitivity to social harm, or about some special sense of justice that this government has.

[Kowalik] So you mean social consent, but not for free?

[Pietrewicz] No, no! Please, do not regard me as such a technocrat. Simply put, there have occurred too big diversities. For instance, diversities in income levels are inefficient economically speaking, and they are socially dangerous. High income levels do not make the economy more dynamic at all. The issue is, that the incomes are misused, they become antisocial. And what about the ostentatious purchases of ever more new luxury cars. People can see what is going on. Huge social groups feel their lots have deteriorated, whereas a relatively small group is much better off now.

[Kowalik] So why did the government give up the idea of taxes for the wealthiest?

[Pietrewicz] It did not. What was called by the press a 50-percent "tax on taxes," was being drafted. Another solution was adopted, whose net results are the same.

[Kowalik] Are you planning on having your ministry dissolved, just like some other ministers? What are your views on the idea of economic restructurings in part of the government?

[Pietrewicz] The central administration should be reformed and cut down. But I do not think that should apply to the CUP, in the sense of leading to its dissolution. There is a need for a planning institution like this. Every society must have a way designed ahead of it, which it wants to follow, as well as some goals specified. One could debate the issue of positioning the institution within the government, and its role there. But one cannot question the institution's usefulness. In my view, it should be an independent and autonomous institution, meaning independent from economic ministries. That is because—among other things—CUP's role should not be limited exclusively to the economy, but it should extend over the entirety of social life, and it should respond to needs felt by the entire government.

[Kowalik] In your view, what is the most important issue now?

[Pietrewicz] The most important issue is for Poland to have just one social-economic policy designed with the long range in mind. The country must be able to know what its goals are in the future. We must achieve a situation where all the ministries with important economic instruments at their disposal—like the Finance Ministry, other ministries, and most importantly the central bank—would be heading in the same direction. The central bank cannot implement its own goals that would not serve general goals, even while it maintains its autonomy—I would like to stress that.

[Kowalik] Would you be willing to make this accusation more specific?

[Pietrewicz] Stabilization of the zloty is one of the conditions implemented by the central bank, but it cannot be the bank's only goal. We also need modifications within the monetary policy. Monetary policy should be established by the Sejm.

[Kowalik] What kind of modifications do you have in mind?

[Pietrewicz] I mean mainly the money supply, which has been deviating from earlier decisions for about two years now, and the deviation is always in the same direction—the supply is lower than was planned before. Monetary policy is an important factor inhibiting growth, since it raises the currency's value and favors continuing inflation. I also have doubts regarding the so-called real interest rate, since it is not being implemented in actual terms.

Daily Warns Against Ignoring Opposition

WS2311132093 Warsaw RZECZPOSPOLITA in Polish 23 Nov 93 p 2

[Commentary by Jan Bazyl Lipszyc, under the "Observations" rubric: "Force of Arguments, or Force of Numbers?"]

[Text] One can see quite clearly after three initial sessions by the new Sejm, that the coalition not only can do everything, but it also wants to. On the other hand, the opposition would very much like to do something, but in fact all it can do is watch helplessly, and vote against—equally helplessly.

This means the coalition can push through parliament any laws it wants, and completely ignore the opposition's views.

The governing coalition is facing the temptation to ignore the opposition's opinions—they can afford it. But the coalition should also consider that the quality of laws passed in parliament is largely dependent on how thorough the debate on the laws is. Often, the government (or a group of Sejm deputies) would submit before the Sejm drafts which have not been fully thought through. Subsequent debates during which the drafts were analyzed in detail, allowed for better laws to be passed in the end.

Tough criticism which one must take into account, is also responsible for a more thorough preparation of draft laws before they are submitted before the Sejm. Because of the actual numbers of their Sejm deputies, the Democratic Left Alliance and the Polish Peasant Party can afford not to take other suggestions into account, but that might not always be beneficial—also from their standpoint.

The situation of the previous governing coalition was different—they had to literally seek single votes, so often some deputies from the parties in power now, had opportunities to shape laws, and in many cases it made the laws better. Now it does not have to be that way anymore.

The temptation to vote not necessarily along the merits of the case (opposition always against the government, coalition always the way the government wants) will keep occurring on both sides, but it will be more dangerous on one of them. I mean the side that has the winning force. The point is, the force should not be just a consequence of an arithmetical advantage.

Daily on Budget Surplus, 'Optimistic' Outlook for 1994

WS2311151093 Warsaw RZECZPOSPOLITA in Polish 23 Nov 93 p 5

[Report by Katarzyna Jedrzejewska: "Deficit Is Easier To Plan, More Difficult To Finance"]

[Text] Next year the budget deficit should not exceed 4.5 percent of the Gross Domestic Product [GDP]. However, several conditions must be met. First, the finance minister must manage to receive as much revenue as he hopes after the tax changes are introduced, that is, approximately 20-25 trillion zlotys. Second, there must be money to cover the 87-trillion-zloty deficit in next year's estimated budget. Today the government is discussing work on the 1994 budget and the main directions of socioeconomic policy.

We can expect that next year's inflation "from December to December" will amount to 23 percent. This is a little less than suggested by recent public statements by the finance minister. According to the most recent estimates, we can expect that average inflation will come to approximately 27 percent next year.

The GDP in 1994 is estimated to be approximately 2,019 trillion zlotys (the expected GDP in 1993—1,544 trillion zlotys).

This year, budget revenues will probably be approximately 17 trillion zlotys higher than expected and will amount to approximately 450 trillion zlotys. This "surplus" allows us to be optimistic about next year. In line with the latest forecasts, we can expect that 1994 revenues, without the tax packet that is being prepared by the Finance Ministry, will amount to approximately 580 trillion zlotys, which is about 13 trillion more than was originally estimated. Expenditures are estimated to be approximately 667 trillion zlotys, plus additional monies that will come as a result of introducing the tax packet.

However, the optimism should be moderate. We will be able to afford an 87-trillion-zloty deficit only if there is money to finance it. This seems rather unlikely if we consider the fact that the Central Bank would be willing to lend "net" (that is, the budget would not have to pay off the long-term debt) approximately 25 trillion zlotys.

Tribunal Rules Sejm Had Not Violated Constitution

LD2311193993 Warsaw PAP in English 1909 GMT 23 Nov 93

[Text] Warsaw, Nov. 23—The Constitutional Tribunal on Tuesday ruled that the Sejm (lower house) had not violated the constitution while refusing to vote in February of this year on a Senate amendment to a law, which had surpassed the scope of the Sejm-proposed amendment submitted to the upper chamber for approval.

The Senate Presidium in April filed a motion with the Constitutional Tribunal asking it to recognize that the Sejms rejection to vote on a Senate amendment to the Sejms amended law on war veterans and victims of wartime and post war repressions was unconstitutional.

The Sejm-proposed amendment to the law provided only for the prolongation by a year of a review of war veteran rights. The Senate added to the original law a provision envisaging that the prolongation will also concern the so called soldiers-miners, according to the Sejm, such an extension was justified but needed an ordinary legislative track.

The ruling of the Constitutional Tribunal ends a long time dispute between the two chambers on whether the Senate has the right to make amendments only to amendments proposed by the Sejm and sent to the Senate for approval or to the entirety of a related law.

Decree Adopted on Exploitation of World Bank Credit

LD2311222093 Warsaw TVP Television Second Program Network in Polish 2007 GMT 23 Nov 93

[Relayed by TV Polonia Network]

[Text] The Council of Ministers has adopted a decree that will enable the exploitation of $450 million from the World Bank. The money will be allocated to the restructuring or else the liquidation of state enterprises. The World Bank had withheld the credit line since the previous government team did not prepare a plan for the allocation of this money, said Deputy Prime Minister Marek Borowski. The government today worked on the draft budget for next year and the guidelines for socio-economic policy for the coming three years.

[Correspondent Slawomir Matczak] The new draft envisages a reduction in the deficit by 2 percent and of inflation by at least 10 percent. The finance minister today familiarized himself with the budget proposals of the other ministries. The ministers sought over 100 trillion zloties, more than was envisaged for them. For instance, the Labor Ministry wants 40 trillion more than it can receive.

[Begin Borowski recording] No one is happy with the budget. The ministers are not; neither are the deputies, nor even the citizens, since something is always short there. And, well, everything focuses on the finance minister. [end recording]

[Matczak] For the first time, a four-year plan for the economic development of the country is being prepared; three options are being prepared, the optimistic, that of continuation, and a pessimistic one. The Central Planing Office [CUP] feels that the greatest danger for the future of the economy is stagnation among our neighbors and isolation from the West, and also the meeting of the social demands aroused by electoral promises.

[Begin CUP Chairman Miroslaw Pietrewicz recording] The social pressure might be greater than the possibilities of the economy. If we were to go a bit too far here, then this will make it impossible for us to accumulate the appropriate resources for development. And that is absolutely indispensible in the longer term. [end recording]

[Matczak] The government has widened the composition of the Socio-Political Committee of the Council of Ministers by adding representatives of the largest trade union federations to resolve all labor conflicts quickly and on the spot.

Olechowski: Road To Polish Association With WEU Open

LD2311224293 Warsaw PAP in English 2206 GMT 23 Nov 93

[Text] Warsaw, Nov. 23—Foreign Minister Andrzej Olechowski said on Tuesday that last Monday's decisions of the WEU (Western European Union) foreign ministers opened the road to Poland's association with WEU.

Olechowski, who took part in a meeting of the Sejm Committee for the European Association, said that the announcement of closer links with Eastern European countries which sign association agreements with WEU is a good omen for Poland.

PD(FSN) Refuses To Participate in National Day

AU2311194993 Bucharest Radio Romania Network in Romanian 1825 GMT 23 Nov 93

[Text] A communique received from the Executive Bureau of the Democratic Party (National Salvation Front) [PD-(FSN]) pays homage to the founders of the Romanian state, on the occasion of the 75th anniversary of the Great Unification. The communique emphasizes, however, that this holiday, quote: Does not belong to certain people, but to all of us, unquote.

The communique then emphasizes, quote, that the current executive power wants to rewrite history to benefit them, they want the unification day to be their holiday and not a dedication to the memory of those who achieved it, unquote.

The PD(FSN) cannot be obligated to sit down next to those who unleashed political persecution and jeopardize the state governed by law and democratic freedoms.

Consequently, the communique continues, the leaders of the PD(FSN) will not participate officially in what is being organized by those in power; however, out of respect for the memory of our predecessors, who, through struggle and sacrifice, made the hope for the Great Unification come true, the representatives of the PD(FSN) will be present in Alba Iulia, but not on the rostrum of those in power, but among the people.

Trade Union Rejects Government Proposal on Wages

AU2411100793 Bucharest Radio Romania Network in Romanian 0500 GMT 24 Nov 93

[Text] The CNSLR [National Confederation of Romanian Free Trade Unions]-Fratia rejects recent government proposals on a decent minimum salary and on an appropriate wage indexation and demands that the calculation basis be restored and that financial sources be identified.

In a statement that was publicized, the CNSLR-Fratia delegation at the negotiations at Victoria Palace [government headquarters] believes that increasing the average wage index for October and November by 5 percent and setting the minimum salary in the economy at 45,000 lei, as proposed by the government, cannot significantly cover the whole extent of the price hikes. The statement also emphasizes that the final decisions on ways and means to continue the trade union struggle will be established at the end of the current round of negotiations.

Vacaroiu Comments on Domestic Issues

AU2311200493 Bucharest EVENIMENTUL ZILEI in Romanian 20 Nov 93 p 3

[Interview with Prime Minister Nicolae Vacaroiu by Liana Simion, on 17 November in Bucharest: "Nicolae Vacaroiu Warns: 'If I Come to the Conclusion That I Can No Longer Accomplish Anything Significant, I Will Go of My Own Volition, Nobody Need Tell Me To Leave'"]

[Text]

The Rate of Inflation is 230 Percent, and I Am Not Referring to Price Index Increases—The Prime Minister Says

[Simion] Mr. Prime Minister, 19 November is just around the corner. It is an anniversary date for you, since a year ago on that very day, you were officially inaugurated as prime minister by the Parliament. In a few words, would you like to tell us how you view this year in government from the viewpoint of both achievements and failures?

[Vacaroiu] Of course, it is difficult to draw the balance sheet of a year in times of hardship. Everybody expects spectacular results, which should be primarily reflected in a rising standard of living. It is natural that, in the years elapsed since the revolution, the people should ask themselves: "Why do we not live better than before?" The accumulations of the past three years have played a particular role in 1993, with both positive and negative aspects.

[Simion] Let us go back to the "balance sheet" and ...

[Vacaroiu] We have scored certain achievements in this period, but then we have also had some failures, too. Let me start with the failures, since this is what is particularly on our mind. We had a governing program and a particular strategy. If we were to examine this strategy, you will note that we have two practically interconnected problems that we did not manage to solve.

[Simion] In concrete terms, what are these problems?

[Vacaroiu] Unfortunately, we failed to contain the inflation as envisaged, hence we have had a negative result in this respect and an inflation rate far above the envisaged limits.

[Simion] The yearly rate in 1993 was 300 percent...

[Vacaroiu] The inflation rate was 230 percent, and I am not referring to the price index increases. Therefore, the inflation rate was 230 percent, compared to the 70-80 percent we envisaged in our reform strategy. A second problem, directly linked to the inflation rate, refers to the standard of living and social protection spheres, where it is obvious that the results are not good and certainly not as we would have liked them to be!

First of all, a rather unpleasant surprise for us was to realize—something we did not know before—that in 1993 we must implement certain measures not previously envisaged, but were unfortunately part of an accord concluded with the World Bank in 1991.

[Simion] Can you elaborate on this a little?

[Vacaroiu] In 1993, we were obliged to eliminate the subventions, which have reached some extraordinarily high proportions. The result of eliminating the subsidies was that prices went up, in some cases by approximately nine times. Another condition we were not aware of when we took over was linked to the liberalization of the value added tax [VAT]. Another one envisaged reducing the notification period for price increases from 90 to 30 days. Another condition, also signed in 1991, was the complete liberalization of import-export activity and, let us not forget, the introduction of VAT. In practical terms, it had to be implemented by 1 January 1992, but we postponed it until 1 July 1992. Well, the settling day came and we were the only country without such a mechanism completed. To all this, we had to implement other measures, too, such as correlating the exchange rate to the inflation rate, which has led to the U.S. dollar going up from 430 lei to 1,074 lei now. Another criterion convened in 1991 by the then government referred to enhancing the role of real interest rates. Well, all these six or seven factors are generating inflation!

I Am Not Interested in the Agreement With the IMF in Order To Obtain Money for Consumption and Imports—Nicolae Vacaroiu Maintains

[Simion] Allow me to interrupt you for a moment! A recent analysis worked out by "A Future for Romania" group about the current political impasse stresses that the basic short term test for the current cabinet is the conclusion of the standby accord with the IMF. The statements the Romanian delegation members made upon their departure for Washington indicated that they were firmly determined to ensure the signing of the letter of intent so that the accord can be discussed by the IMF management board next December. We learn now that the letter of intent was not signed and that almost the entire economic program has to be revised. How do you explain this change of attitude?

[Vacaroiu] There is no change! The situation is not quite like that! The first mission we sent to the IMF settled for an intermediary variant, agreed upon by both sides, which takes into account the conditions prevailing in Romania. We worked out an overall package of measures in Bucharest and I sent a letter to the IMF and IMF official Massimo Russo, to whom I presented the package of measures. I also told him that we agree to finalize the ongoing negotiations and will consequently send a delegation there. The delegation went there to provide technical details for the aforementioned letter. Therefore, the elaboration of the macroeconomic technical details of stabilization to the variant we suggested has begun.

We agreed with the IMF that, on the basis of this draft accord, we should issue a statement that the negotiations were concluded. On the basis of this joint statement, the second stage of the Structural Adjustment Loan (SAL) with the World Bank is automatically beginning to unfold, as well as the negotiations on the Agreement on the Reform of the Banking System. The procedures envisage that the letter of intent must be accompanied by a memorandum. The delegation coming to Romania (the IMF technical mission—editorial note) at the end of November and the beginning of December no longer needs to negotiate the principles of the standby accord, only the technical details of its gradual implementation—a timetable, so to say.

[Simion] So, what was accomplished in Washington, after all?

[Vacaroiu] Discussions were conducted with the board [IMF management board—editorial note] members. Agreement was reached on the issues under discussion, so there are really no problems! I am not interested in the agreement with the IMF in order to obtain money for consumption and imports!

[Simion] But it has been clearly decided that the IMF money will go to setting up the country's currency reserves!

[Vacaroiu] Yes, this is so! Nevertheless, a lot of people say: If the agreement with the IMF is not concluded, what are we going to do this winter? Well, this winter has nothing to do with the money from the IMF! The IMF loan comes to strengthen the state's monetary reserves, but the simple statement that an agreement has been reached on this issue, that is, the joint declaration, automatically launches the SAL program and the other smaller credits we have contracted from the Group of 24, Japan, and so forth.

(For the correct information of the public, we emphasize that, in accordance with the usual procedure of the World Bank and IMF, the start of first stage of the SAL accord depends on the approval of the Romania-IMF standby accord by the IMF board. The joint press declaration is not legally binding, it is merely a statement of good intentions—editorial note)

[Simion] Coming back to the IMF...

[Vacaroiu] In my opinion, this agreement is excellent and the stand-by accord should no longer raise any problems as far as the IMF management is concerned. At the beginning of December, the letter of intent will be signed here, in Bucharest, which, in my opinion is a very good result!

Very Many of the Critical Remarks Made About the Government Are Totally Groundless. Statements Are Made From Hearsay—The Prime Minister Believes

[Simion] Nevertheless, there is a lot of criticism leveled at the current cabinet...

[Vacaroiu] Yes, but many of the critical remarks made about the government are totally groundless. We have scored a number of results—I am primarily talking about the major target we set for ourselves. Without material production, you cannot ensure either social protection or progress along the road of reform. The costs would be too much, and one would not have the necessary minimum

budget for supporting the vital organs of the state. There are very many people who make statements from hearsay without checking the truth of them. I can tell you that, as of last April, we stopped up the production decline and have been registering a continuous upward course; for instance, in October 1993, we registered an 11 percent increase compared with October 1992. The industrial production has registered an opposite dynamics compared with the last year—from minus 22.4 percent last January to only minus 0.2 percent after 10 months in industry. As far as agriculture is concerned, we have registered an 11 percent growth compared with 1992. I believe that we will conclude 1993 with our target achieved, namely a slightly larger gross domestic product, that is 0.5-0.7 percent larger than in 1992.

[Simion] Proceeding from your statement about the growth of industrial production, which is real, an analysis of this situation reveals that the price paid for that as the highest annual rate of inflation from 1989 until now and a very massive depreciation of the national currency. In the long run, do you believe that one can sustain such economic growth, at the price of inflation and the depreciation of the national currency?

[Vacaroiu] I do not want any confusion here! The production increase stabilizes the inflation, it does not provoke it! (Prime Minister Nicolae Vacaroiu got irritated and ignored the substance of the question, as he was upset with its "form"—editorial note)

[Simion] Here lies the paradox, Mr. Prime Minister.

[Vacaroiu] There is no paradox here! I already mentioned the inflationary factors at the beginning! They cause inflation! If production had not gone up, the inflation would have been much higher! Why is that so? Because production growth means a start in an endeavor to regulate the market. If you have a market, you can regulate the prices! If you regulate the prices, you can regulate inflation! That is where we should go! (Unfortunately, the prime minister betrayed himself when he said that the production grew, but so did the prices; hence, there must have been something irregular in this "positive aspect"—editorial note).

[Simion] Here I am interrupting you again, because you have just "touched" on a question I was going to put to you. Unlike the Roman [former prime minister Petre Roman] and Stolojan [former prime minister Theodor Stolojan] governments, which were confronted with an acute lack of credibility abroad, during your rule Romania has signed the treaty of association to the EC, has been received as full member in the Council of Europe, and has received most favored nation [MFN] status, too.

[Vacaroiu] The accord with the IMF is also in the coming!

[Simion] If you say so! I repeat, the international community has shown a true opening toward your government in the political sphere. Nevertheless, the previous governments enjoyed foreign financing worth more than 1 billion U.S. dollars annually, while you received only $100-200 million.

[Vacaroiu] It was $180 million! Not foreign financing either, but rather current longer-term credits...

[Simion] How do you explain this discrepancy between the political opening toward your government and the restraint the international community has shown toward you on the economic plane?

[Vacaroiu] It is actually very simple! I will try to explain it as briefly as possible. What happened was that the opening shown by the foreign finances toward us in 1990-91 continued until the middle of 1992, when it stopped. In practical terms, the foreign financing relied on a series of arrangements, all of the standby kind! The IMF gives the green light for the Group of 24 and for everything else that amounts to external financing! When these agreements were concluded, the previous governments have assumed certain commitments. There were a few conditions attached to those loans.

[Simion] And they failed to honor them?

[Vacaroiu] We received the first installments, meaning that billion and a half U.S. dollars. Those people, the foreign creditors, showed that they have trust in us and said: "We give you the money, but you should pledge to do certain things! The previous governments, together with the Parliament, pledged to do all sorts of things, but nothing got done! Show me a single measure that was implemented! (Unfortunately, the prime minister is exaggerating here. The previous governments implemented those measures, but not fully, otherwise no other agreements would have been signed with the World Bank and the IMF—editorial note). Maybe the conditions were too harsh and, then again, maybe trade union pressure in 1990-91 was too strong. There was also the fear of losing power and seats of power. I am referring less to Mr. Stolojan in this respect, since his mandate was pretty limited. Do you know what my first talk with the World Bank and the IMF was?

[Simion] No, but maybe you will tell me about it...

[Vacaroiu] The discussion was pretty restricted: They confronted me with our commitments and our failures to implement them!

I Am Not Thirsty for Power—The Chain Smoking Executive Chief Says, Adding That He Does Not Yet Think To Resign

[Simion] Let us change the subject for a while. At a news conference you held here, at Victoria Palace on 30 June this year, you said that "if somebody more capable than me comes up tomorrow, I will be the first one to make room for him!" Do you still consider yourself the most capable?

[Vacaroiu] No! A prime minister can no longer give advice on all possible issues, as has been the case in the

past! What I mean to say is that I am not thirsty for power, and maybe that is why I took those unpopular measures, after so many discussions and opposition to them. I was convinced that they must be implemented if we are to overcome this stage. I am not thirsty for power and I do not have such a passionate appetite for it.

[Simion] You just alluded to a statement that you made to me a year ago, when I interviewed you for TINERETUL LIBER. You told me at that time: "In an exceptional case, if I come to the conclusion that I can no longer accomplish anything significant, I will go of my own volition, nobody need tell me to leave..."

[Vacaroiu] Absolutely true!

[Simion] Were you confronted with such an exceptional case, meaning that you might have been tempted, personally speaking, to resign?

[Vacaroiu] Not until now! Let me tell you that I am not afraid of the 18 November date [date of the trade union march in Bucharest], either! In my opinion, we need to have popular understanding and the legislative branch's cooperation if we are to overcome this difficult period.

[Simion] I now have a purely political question: A number of members of the cabinet you are heading, initially independent figures from a political viewpoint, have joined the government party. Do you also intend to become a member of the Social Democracy Party of Romania [PDSR]?

[Vacaroiu] Do you remember a statement I made in this respect a while ago?

[Simion] Yes, that you do not plan to enter the political scene...

[Vacaroiu] I said, I will not joint any political party for at least five years! This does not mean that the government I am leading does not implement the governing program of the respective party—with the amendments you are aware of. Of course, when the issue of another government program arises, it is PDSR's right to have a say; we will discuss the issue together.

Anyway, my seat is available, so this is not the problem! When I feel... how shall I put it, any government undergoes a process of erosion when it power. It is bound to lose popularity through the measures it implements. When a certain threshold has been reached, another formula must be found to get things moving.

[Simion] Here is a question for the tranquility of our readers and economic entities and for the tranquility of us all: Can you guarantee that hard currency will not be confiscated this winter?

[Vacaroiu] Such a question never arose. We have certain hard currency regulations and we will observe them. When this issue is going to come up—I do not know when, maybe sometime in 1994, on the basis of technical assistance—well, the problem will be tackled in principle and it will be openly discussed with the experts... I can tell you that the present hard currency regulations are obviously not the best ones. You know very well what is going on in this respect. Even so, when the issue arises, it would be a serious mistake to confiscate, even though we might resort to the Czech formula [of internal convertibility] at some point, with the economic units obliged to deposit their hard currency amounts earned from exports with the bank, but also able to obtain U.S. dollars within 24 hours on request, if they need it!

[Simion] The press has noted the Caritas [countrywide money multiplying scheme] case. As you know, Caritas emerged and is operating on the basis of the current legislative framework. The Caritas activity presupposes both very big profits and equally big risks. In view of the social scope of this phenomenon—given the large number of depositors, who amount to some 20-25 percent of the electorate—does the government plan to ensure, out of social considerations, the protection of the Caritas depositors against would-be risks?

[Vacaroiu] No! I already said that, in my opinion, this is a game of luck. All of it is unearned money. As for the end, I do not want to talk about it—you are probably familiar with the experience of other countries! Of course, I am saddened by the fact that so many people took risks without reading the Caritas rules, which are pretty explicit: In case of a crash, you receive 80 percent of the first deposit, which was 20,000 lei. People should have been constantly informed, especially by Caritas. I also heard and read in the newspapers that Caritas has stopped all payments. Of course, we are carefully watching developments there, because it also creates big problems for us. It in effect produces pretty strong regional inflation. Its effects are negative and sometimes general, with a big psychological impact on the population. This is not the way for Romania to come out of the crisis! That is, by sitting at home, depositing one's money with Caritas, waiting for the millions to arrive, and that is all. The government is in no way involved in such things. I said that the people are responsible for depositing their meager savings with Caritas. I did not play at Caritas, and I want to make that very clear!

I Do Not Envisage a Cabinet Reshuffle At This Time—The Prime Minister Admits

[Simion] I know that there have been certain inquiries from the ruling party and certain discussions with its coalition partners, especially with the Romanian National Unity Party [PUNR]. Statements were made to the effect that a reshuffle is in the offing. What can you tell me in this respect? Do you think in terms of a reshuffle and, if so, what portfolios do you have in mind?

[Vacaroiu] First of all, I do not envisage a cabinet reshuffle at this time. Nobody need be surprised by the fact that the positions of minister or secretary of state are not for life. I said that we are examining the situation in a number of ministries where things do not seem to be proceeding very well.

[Simion] I am going to ask you a question that you may not like very much. Your year in government was also marked by at least two press scandals: the Petromin Forum Maritime contract [sale of Romanian vessels to Greek ship owners] and the affair with the corrupt dignitaries. Sincerely now, are you pleased with your government's public image?

[Vacaroiu] First of all, this is a completely false image! The government has not been involved in any way in the Forum Maritime affair! There is not the slightest hint of a connection! All speculations were exaggerations of statements made in political circles. If the prime minister himself visited Greece and presented the stage of reform there and various business opportunities to the Greek ship owners and industrialists, this does not mean that he is involved in the affair. Investigations in the Petromin fleet affair are at an advanced stage and many surprises will be revealed soon. We hope to finalize the inquiry in two to three weeks and make public the results then. Therefore, I will not make any revelations now. However, I can tell you that there will be quite a few surprises.

As for the Salcudeanu [former Minister of Culture Petre Salcudeanu involved in a sex scandal] case, if that is what you mean when talking about corruption cases, I believe that it was a frame-up from beginning to end. As for the various allegations against other dignitaries, if I had the smallest tangible and real proof—not the kind of general allegations one makes from a rostrum—I would have taken direct action. All the accusations launched—I am not referring to the Parliament discussions, which had no concrete backing whatsoever—were without proof. I tell you, I have asked for the file to see for myself what is true and can be proved. It is easy to destroy a man, even if he is not guilty. You label him one way, and he has to carry that stigma with him for the rest of his life.

I Would Be the Happiest Man Alive If We Could Prove That It Is Not True—Nicolae Vacaroiu Says About the File Against Petre Roman

[Simion] Apropos "concrete proof," are you the brains behind the campaign launched against the leaders of the Democratic Party (National Salvation Front) [PD(FSN)], through the documents submitted by the Control Corps to the Prosecuting Magistrate?

[Vacaroiu] No! The Control Corps has some very strict rules that apply to everybody. Its role is to deal with intimations and complaints received from various individuals, nongovernmental organizations, and so forth. If several of them lead to the same direction, the checking procedures are launched to verify them. I entrusted them with the task of carrying through the inquiries already started. I have absolutely nothing to do with the files against Roman [Petre Roman, PD(FSN) president] and Severin [Adrian Severin, PD(FSN) vice president]. They are based on notifications received, and we can let anybody have access to the respective documents! I cannot halt the inquiry, it would mean that I am abetting such things. I would be the happiest man alive if we could prove that it is not true! I do not want to accuse anyone. I do not belong to any party and I have no accounts to settle in this respect.

If such things are discovered even about a minister, you should know that we will go to the bitter end, otherwise we become abettors. In one or two years, we may no longer be in power and we cannot risk subsequent inquiries accusing us of failing to uncover the truth, thus turning us into accomplices. I can tell you that the Control Corps has a green light for absolutely all cases notified by the citizens and other organizations, and must check them out thoroughly.

[Simion] Is citizen Nicolae Vacaroiu—after one year of Premier Vacaroiu's governing—satisfied with the performance of Prime Minister Nicolae Vacaroiu?

[Vacaroiu] If I had managed to also accomplish the two things I mentioned at the beginning of this interview, I might have been able to say that I am satisfied. Consequently, I can only say that I am partly satisfied. I would have liked to be able to do more in the sphere of social protection. Of course, I have that draft program for winter assistance aimed at the less well-off segments of society such as the pensioners and the unemployed. If we could assume at least some of the heating costs, that would still be something. Unfortunately, things are moving slowly in this respect, too.

[Simion] Your cooperation with the Parliament is rather difficult...

[Vacaroiu] In a way, this is only natural, since the balance of power is pretty even in Parliament, and the power struggle rages on!

[Simion] I am curious about something: Why did you agree to grant this interview for EVENIMENTUL ZILEI?

[Vacaroiu] It is the first time that you have asked me for an interview since that discussion I had with Mr. Cristoiu [Ion Cristoiu, chief editor of EVENIMENTUL ZILEI] a year ago. Generally speaking, and I am honest about this, I do not refuse to give interviews. I have nothing to hide. Do not forget that EVENIMENTUL ZILEI is the strongest newspaper right now, you have a very large circulation. This is the truth!

Indexation Commission Discusses New Adjustments

AU2311141793 Bucharest ROMPRES in English 1114 GMT 23 Nov 93

[Text] Bucharest, ROMPRES, 23/11/1993—The Indexation Commission had another meeting on Monday, November 22. Taking into account the real evolution of the prices and considering also the new forecast for the December rises, the government proposed an adjustment of the previous indexation figures by 5 percent for

the commercial companies and the public corporations and by 6.5 for the budgetary units, beginning with December 1, 1993.

With regard to the minimum guaranteed salary in the economy, the government proposed the mark of 45,000 lei, also starting December 1. The representatives of the CNSRL-Fratia [National Confederation of Romania's Free Trade Unions] union confederation proposed a 13 percent adjustment for the commercial companies and public corporations and a 17 percent one for the budgetary units while the minimum salary proposed by the confederation was 58,000 lei.

The government decisions concerning the level of indexation and of the minimum salary are to be drafted and submitted to the executive for endorsement at its current week meeting.

Karadzic Proposes Division of Sarajevo

LD2311221393 Belgrade TANJUG Domestic Service in Serbo-Croatian 2053 GMT 23 Nov 93

[Text] Pale, 23 Nov (TANJUG)—Radovan Karadzic, president of the republic of Srpska, assessed this evening that "certain positive changes" can be detected in the European Community's approach to the Yugoslav crisis.

Karadzic told TANJUG in Pale that the countries responsible for the imposition of the sanctions are now talking about lifting them.

"I personally believe that we could reach agreement with the European ministers on the suspension of the sanctions while the negotiations are under way, because only in this way can the Serb side be absolutely equal in the talks. The sanctions should be completely lifted after the signing of the peace accord," Karadzic added.

Concerning the 3 to 4 percent of the territories the Serbs are expected to cede to the Muslims, Karadzic stressed that it is good that this is not being mentioned in the announcements of further negotiations.

"This is not necessary, because it would not say much about the structure, importance, and value of the territories. For instance, if the Serbs were to get the whole of Sarajevo, we would be ready to cede up to 5 percent of some other territory, but we know that Sarajevo is just as important to the Muslims as it is to the Serbs," the republic president said.

"We therefore propose that Sarajevo be divided into two cities and that we forget these talks about percentages, and that we see what both we and the Croats can do to make the Muslim state become normal, that is, to make sure it can survive," Karadzic said.

The republic president underlined that one of the good aspects of the Franco-German initiative is that Germany has made it clear for the first time that it is not opposed to the reorganization of Bosnia into three states.

Speaking about the upcoming meeting with the EC ministers in Geneva, Karadzic assessed that such a meeting could be useful, in the sense of mutual briefing.

However, Karadzic also expressed the fear that the Geneva meeting has been "conceived too ambitiously."

If we seriously wish to accomplish something in Geneva, we need more time to prepare this meeting. It would not be good if 12 European ministers were to hold a meeting with no results," Karadzic concluded.

Karadzic Links Talks to Immediate End to Sanctions

AU2411071993 Paris AFP in English 2341 GMT 23 Nov 93

[Text] Belgrade, Nov 24 (AFP)—In a response Tuesday [23 November] to proposals by EC foreign ministers for a phased lifting of sanctions against the former Yugoslavia, Bosnian Serb leader Radovan Karadzic called for sanctions to end immediately.

Karadzic told the Bosnian Serb news agency SRNA that sanctions against the rump Yugoslavia, consisting of Serbia and Montenegro, had to go if there was to be a new international conference on peace in the region.

"We cannot content ourselves with the mention of an end to sanctions," Karadzic said.

"If the international community really wants to host a conference, it should suspend sanctions immediately so that the Serbian side is on an equal footing with the two other parties," he said, referring to the Bosnian Croats and Bosnian Moslems.

"We are not naive. We know what we are doing. We fought for our country, our state, our rights, and we don't want to jeopardise the fruits of our fight."

He said Monday's declaration by EC foreign ministers meeting in Luxembourg, which offered a relaxation of sanctions against the Serbian side in return for territorial concessions for the Bosnian Moslems, "as it stands gives no guarantee that international pressure against Yugoslavia will end."

Karadzic also said plans to bring the three warring factions together in Geneva next Monday were "too ambitious," and needed further preparation.

Krajisnik Opposes Franco-German Peace Proposal

AU2311175893 Belgrade BORBA in Serbo-Croatian 23 Nov 93 p 12

[Report by G. Roslic: "Three Percent Is a Lot of Territory"]

[Text] In a telephone interview for BORBA, Momcilo Krajisnik, chairman of the assembly of the republic of Srpska, described the Franco-German proposal for a gradual lifting of the sanctions against Yugoslavia if the Serbs in Bosnia give 3 to 4 percent of the land to the Muslims as a "political maneuver of our opponents that are being realized via big powers." He stressed once again that it was not 3 to 4 percent of the land that was in question, but a much higher percentage, saying that the Serbs had already adopted a plan of withdrawal from 15 to 20 percent of the territory, that is, for the Muslim side to be given 30 percent of the territory of Bosnia-Herzegovina.

We agreed to give to the Muslims and the Croats the pure Serbian ethnic regions such as Kupres, Srbobran [Donji Vakuf], the Neretva valley...so that peace could be established and the sanctions lifted. We were trying to convince our people that this was the last demand that the Serbs would be asked to meet. We feel cheated because the Muslim side was not blamed for not accepting the plan. The 3 percent that is being demanded

now represents an entire region. For example, 10 Sarajevo districts amount to this territory, Krajisnik said.

According to him, those who are asking the Serbs to do this have a real task, namely to make the Serbs quarrel among themselves, that is, to confront the Serbs from the republic of Srpska and their compatriots from Serbia. He stressed that the Franco-German proposal was prepared shortly before the elections in Serbia in order to cause a rift among the Serbs, adding that there has been no pressure whatsoever from the leaderships of Serbia and Montenegro for this proposal to be accepted.

International Aid Convoy Leaves Tomislavgrad

LD2411105193 Zagreb Radio Croatia Network in Serbo-Croatian 1000 GMT 24 Nov 93

[Report by correspondent Zdenko Vranjes]

At 0630 this morning, a 38-truck international aid convoy left Tomislavgrad for central Bosnia. After a lengthy period of time, this is the first convoy to set off in the direction of central Bosnia. The trucks are carrying about 260 cubic meters of humanitarian aid.

Over the next few days, aid convoys are expected to deliver aid regularly to Croat enclaves in central Bosnia and to the Muslim population in Zenica and in other locations in Bosnia. It has been agreed that for part of the route the convoys will be escorted both by members of the peace forces and by the Croatian Defense Council [HVO] military police.

Overnight, the Muslim army used infantry weapons and mortars to resume its provocations against the western part of Mostar. The HVO returned fire but no casualties were reported.

Sporadic infantry and artillery clashes between the Muslim army and HVO forces around Gornji Vakuf resumed today. The political administration of the Herceg-Bosna defence ministry reported this morning that the HVO had advanced following the fighting near Fojnica.

Another exchange of prisoners and civilians is scheduled to take place today. It was agreed that in return for 54 Muslim prisoners the Muslim side will free 30 HVO fighters and 100 Croat civilians.

This afternoon, Dr. Adalbert Rebic, head of the Office for Displaced Persons and Refugees of the Government of the Republic of Croatia, will tour displaced persons and refugee camps in the Croat republic of Herzeg-Bosna.

Bosnian Serbs Allow Passage of Medical Evacuation

AU2311154393 Paris AFP in English 1501 GMT 23 Nov 93

[Text] Sarajevo, Nov 23 (AFP)—Bosnian Serb forces Tuesday [23 November] backed down on a threat to block the evacuation of 14 critically ill Sarajevans, allowing them to pass through their checkpoints to the airport unhindered, a UN aid official said.

The Serbs had linked their passage to the fate of a Bosnian Serb family in Sarajevo they said had received no humanitarian relief supplies.

They were allowed through after Bosnian Serb leader Radovan Karadzic told UNHCR officials in his Pale headquarters that the evacuees were free to pass, said Peter Kessler, spokesman for the office of the UN High Commissioner for Refugees here.

"They all got to the airport just fine and everything seems well in hand for a 4:00 p.m. (1500 GMT) lift off," Kessler said.

Meanwhile, the breakaway Serb authorities in Pale also sanctioned the passage of the first aid convoy to central Bosnia since their October 25 suspension, said Kessler. The convoy would spend Tuesday night at Banja Luka before continuing on to Zenica on Wednesday, he added.

The ten-truck convoy is transporting 100 tonnes of urgently needed food aid and winter protection equipment.

Aid Convoys Reach Central Bosnia After Month

AU2411110893 Paris AFP in English 1044 GMT 24 Nov 93

[Text] Sarajevo, Nov 24 (AFP)—Aid convoys rolled into central Bosnia Wednesday [24 November] after a month-long halt in deliveries of vital food and winter supplies to needy Bosnians, aid officials said.

A 42-truck convoy carrying 260 tons of flour left Croatian-held Tomislavgrad before dawn for Moslem-controlled Zenica, a United Nations High Commissioner for Refugees [UNHCR] spokesman said.

In Belgrade, three convoys totalling 37 trucks and also carrying mostly flour left Wednesday for three Moslem-held Bosnian towns: Srebrenica, Zepa and Tuzla, another UNHCR spokesperson said.

Another convoy, consisting of 10 trucks carrying 100 tonnes of relief supplies, spent the night in the northern Bosnian town of Banja Luka, from where it would also head for Zenica, UNHCR spokesman Peter Kessler said.

UN Protection Force [UNPROFOR] spokesman Bill Aikman said the Croatian forces known as the HVO [Croatian Defense Council] had agreed to allow convoys

to pass along routes Diamond and Triangle, the main aid routes leading from the south to central and northern Bosnia.

The convoys are the first to head for central Bosnia since the slaying of a Danish truckdriver led to the suspension of all convoys on October 25.

The resumption of convoys to the region follows the signing in Geneva by the three warring parties of a six-point accord aimed a guaranteeing the free flow of aid.

The agreement followed a meeting on the Bosnia aid crisis called by UN High Commissioner for Refugees Sadako Ogata.

Convoys to Bosnia from the rump Yugoslavia were cancelled Tuesday after being held up by lengthy customs proceedures, UNHCR spokesman Peter Kessler said.

However, aid officials had secured a week-long clearance from the Yugoslav authorities for aid, which Kessler said should enable the UNHCR to get three convoys through Wednesday.

Last week a UNHCR spokesman, Ray Wilkinson, estimated that some 70 percent of aid to Bosnia had been halted by the suspension of relief convoys.

The UNHCR warehouse at Zenica—last supplied on October 24—had only 100 tonnes of supplies left, enough for only one day's normal distribution, while the stores at Tuzla had received only 12.7 percent of the 7,700 tonnes of food it would normally need, Kessler added.

The aid now headed for the region contain emergency food rations including wheat flour, yeast, mackerel, cheese, tinned meat, powdered whole milk and baby food, but also vital equipment to help survive the bitter Balkans winter, such as plastic sheeting, wood and nails for makeshift shelters, blankets and sleeping bags, Kessler said.

Some 95 tonnes of vital aid also reached the southern Bosnia-Herzegovina city of Mostar, said Kessler, delivering supplies both to the Croat-held western sector and the mainly Moslem eastern sector.

Conditions in the city are reportedly desperate, with health officials listing famine as a cause of death and continued artillery and sniper fire forcing the 50,000 to 70,000 people crammed into the Bosnian-Government held sector forced to live basements and public buildings.

Croats, Muslims Exchange Prisoners

LD2411112993 Zagreb Radio Croatia Network in Serbo-Croatian 0900 GMT 24 Nov 93

[Text] On two occasions yesterday Muslim forces again attempted a breakthrough along the defense lines on the southern section of the Zepce front and on the Zavidovici front. They used mortar launchers and antiaircraft and infantry weapons. The defenders of the Croatian part of Zepce succeeded in repulsing all the attacks, and in the process inflicted enormous losses on the enemy.

The latest exchange of prisoners and civilians—the largest so far between Zepce and Zenica—took place yesterday. A total of 180 people crossed over to the free Croatian territory, including 30 inmates of the Zenica penal corrective institution. About 100 people left for Zenica including about 50 able-bodied men. The freed Croats have been speaking about the horrifying acts of torture they were subjected to.

Bosnian Croat Leader To Negotiate Cease-Fire

LD2411095393 Zagreb Radio Croatia Network in English 0903 GMT 24 Nov 93

[Text] The Herzeg-Bosnian prime minister, Jadranko Prlic, has sent a letter to the UNPROFOR [UN Protection Forces] commander in the area of former Yugoslavia, General Jean Cot, and the UNPROFOR commander in Bosnia-Herzegovina, General Francis Briquemont, where he is stating that his government would like to take part in the efforts aimed at alleviating the suffering of the residents of Bosnia-Herzegovina.

In the letter, Prlic proposes certain measures that should be introduced in order for humanitarian aid to get into the country, especially its central section and in the Sarajevo area. He also proposes the convening of an emergency meeting of the representatives of the three conflicting sides in Bosnia in order for the issues to be discussed, especially the burning issue of Gornij Vakuf.

Prlic said that his side is ready to immediately negotiate an unconditional cease-fire in all the crisis areas.

Herceg-Bosna Supports Hague War Crimes Tribunal

LD2311154493 Zagreb Radio Croatia Network in Serbo-Croatian 1400 GMT 23 Nov 93

[Text] The government of the Croat republic of Herceg-Bosna lends its full support to the newly founded international war crimes tribunal in The Hague, Herceg-Bosna news agency has reported, quoting a statement by the information department of the government of Herceg-Bosna.

All legal bodies of power in Herceg-Bosna condemn perpetrated crimes and demand investigation, identification of the perpetrators, and that criminal proceedings be instituted against them, Herceg-Bosna Prime Minister Jadranko Prlic said in his report on the program of work of the government in the coming period, which was submitted at the last session of the Chamber of Deputies.

The government program envisages inclusion of all relevant ministries and bodies of Herceg-Bosna in the

process of investigating war crimes, identifying and punishing the perpetrators on the territory of Herceg-Bosna. These activities will take place within the framework of the international convention on the protection of civilians, the wounded and POW's, the military law and the current regulations of Herceg-Bosna, the statement by the information department says.

HVO General Wants 'Annihilation' of Muslims

AU2311154193 Paris AFP in English 1512 GMT 23 Nov 93

[Excerpts] Zagreb, Nov 23 (AFP)—General Ante Rosso, new commander of the Croat HVO militia in Bosnia, called on his forces Tuesday [23 November] to be ready for "the decisive battle" against their Moslem enemies, with their "complete annihilation" as the object.

The message, appearing in the Croatian daily VECERNJI LIST, also warned the HVO to maintain discipline and threatened "immediate" sanctions against anyone responsible for war-crimes.

"We are resolved to condemn and punish immediately all murders of civilians, elderly people, women and children, arson and looting," the message said, in the first acknowledgement by an HVO leader that his men have been responsible for such offences. [passage omitted]

Rosso's warning followed the setting up in The Hague last week of an international court to try war crimes allegedly committed in the former Yugoslavia. [passage omitted]

Minister Warns of Possible 'Holocaust' in Mostar

AU2311163693 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1400 GMT 23 Nov 93

[Text] The residents of Mostar are experiencing unprecedented horrors. People are daily being kicked out of their homes, killed, and resettled in a planned way. This is the planned policy of the Republic of Croatia and the so-called Federal Republic of Yugoslavia. This was stated in a letter which Ibrahim Koluder, minister in the Bosnian Government and coordinator for the Mostar region, sent to President Clinton's special envoy Charles Redman, and Stefan Schwarz, deputy in the German Bundestag.

In Mostar, on the left bank of the town, there are over 50,000 people without drinking water, power, fuel, or medicine, and with only the minimal amounts of food. Through occasional convoys of the UNHCR, every resident receives only about 33 grams of food. If help is not urgently extended, we will have another holocaust, Minister Ibrahim Koluder said at the end of his letter.

Three Starve in Teslic; Situation 'Dramatic'

AU2311161393 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1400 GMT 23 Nov 93

[Text] People have started dying of starvation on the free territory of Teslic. So far three have died of starvation and exhaustion. Only one truck with food has come to this free territory in the last seven months. The situation is particularly dramatic in the hospital. The Teslic Information Center reports that there is no food, medicine, or heating.

Serbs, Croats Sign Local Cease-Fire

LD2311190493 Zagreb Radio Croatia Network in Serbo-Croatian 1800 GMT 23 Nov 93

[Text] At Sajnerica, a UNPROFOR [UN Protection Forces] check point in Gacko Polje, near Otocac, representatives of the Croatian authorities and the Serb side—in accordance with Croatian President Franjo Tudjman's peace initiative—this afternoon reached an agreement on the cessation of hostilities along the front line and in the part of Sector South between Ogulin and Gracac. The agreement will come into effect at noon tomorrow; four hot lines will be set up and a joint commission to observe the cease-fire will be established.

Commentary Views Italy's Attitude Toward Croatia

AU2311191493 Zagreb VECERNJI LIST in Serbo-Croatian 16 Nov 93 p 2

[Commentary by Inoslav Besker: "What Does Italy Want?"]

[Text] Considering the imposition of sanctions on Croatia and—what is even more important—territorial compensations which would include occupied areas in Croatia, definitely present a new, though not surprising or even unexpected element in relations between Italy and Croatia.

Italian Foreign Minister Andreatta "aired" the possibility of sanctions even earlier and it was officially shaped in the statement of the Italian Ministry of Foreign Affairs after Stupni Do. In Rome, our charge d'affaires was simultaneously summoned to "get his ears washed" in Farnesina, and Italian Ambassador Cilento rebuked and made threats in Zagreb. Therefore, there is nothing new here. Which does not mean that this is not disturbing. Indeed, Italy still does not equate all sides in the Bosnia-Herzegovina conflict, but thinks they are all guilty, to a different degree, and thus demands "various pressures" to be applied on all three sides.

Italy advocates sanctions for Serbia and Montenegro without the possibility of leniency (but Italy nevertheless sends humanitarian aid to Montenegro, corned beef and other meat products, and in Montenegro there are rumors that those provisions are first delivered to the army, and then to the civilians).

Italy wants "quiet" sanctions for Croatia which are already effective (import hindrances, delays in recognizing documents) and the sword of Damocles with regards to refugees: Italy, which violently reacted to Stupni Do, made almost no remarks about Vares, obviously thinking that the burden of new refugees can break Croatia much more effectively than open sanctions. The West, it seems, does not think that making the situation in Croatia critical would necessarily result in the river of refugees flowing further on—or it may even count on that, so it is trying to seal its own borders and blame Croatia if anyone starves to death.

It wants pressure on the Muslims to make them stop their offensive and proposes that the borders of the tripartite division of Bosnia-Herzegovina be imposed on them by arbitrage. Those in Farnesina "reason" that the Serbs, from whom something would be taken and given to the Muslims, would get their compensation in Croatia, since Croatia cares more about west Herzegovina than about Vukovar or Karin. Therefore, the matter at issue is the principle of "territory for peace," i.e. "peace now—the rest later."

On Monday, Farnesina made a step backward, pointing out—in explanations for Croatian journalists—that Italy still does not have any proposals but that it only "reasons." Two explanations are possible: either Andreatta was careless and jumped the gun, as Italians usually do, presenting, before time, Owen's questionnaire with 27 questions about which Croatia knows nothing (nor did its "friends" inform it about that), or Andreatta released a trial balloon to see how it would impact elsewhere.

Izetbegovic made the first reaction: He offered his hand to the Serbs and Karadzic, demanded the replacement of Boban, retaliated to Croatia for Abdic (who is more popular in Belgrade than in Zagreb). It seems that the Serbs and the Muslims have made some kind of an arrangement, as could be expected, and that the Croats have once again reckoned without their host.

It remains to be seen whether that is really so, or if the more skillful propaganda has simply wrapped their product in a more shiny wrapping. The question is, however, what the Italians intend to gain from it for themselves, especially in the long run. The more one thinks about it, the more difficult it gets to determine Andreatta's motives, at least those that make sense.

While Croatia is doing everything possible to repair the increasingly strained relations with Rome, which is a logical interest of Zagreb, meanwhile in Italy, they are doing their best (from suppressed advice of General Lalli to the Chetniks on how to conquer Zadar, to Andreatta's "reasoning") to make Croatia (and partly also Slovenia) as much distant from Rome as possible and refer it to Bonn and Vienna as the only point of support. In the long run, that can be desired only by those who do not want the best (even) for Italy. It is not the first time to find them in Rome.

Daily Views Need for German Support

AU2311124393 Zagreb VJESNIK in Serbo-Croatian 14 Nov 93 p 15

[Article by Nenad Ivankovic: "Can Croatia Manage Without Germany?"]

[Text] Can Croatia survive without Germany? Or, to put it in a different way, can a relatively small nation in this Europe "survive" politically if it does not have at least one important power behind it, especially if it is a nation

that has found itself in the midst of a war and occupation, and that is directly endangered by a country traditionally supported by several world powers? Even when it is publicly condemned for aggression and crimes?

Historical experience, and not only Croatian, says that it can not. This is supported by the current developments in European policies on the territory of the former Yugoslavia, as does the international position Croatia is in.

In his work 'The Breakdown of the Independent State of Croatia' (Hrvatski Informativni Centar, Zagreb, 1993), Dr. Dragutin Kamber wrote: "I once read in a Chetnik proclamation that the [World War II] Independent State of Croatia would not have survived for three days without the presence of the Germans. Unfortunately, it did not last even three seconds!"

Naturally, the present relations between Croatia and Germany have nothing in common with the relations during World War II, and this is as equally good for the Croats as for the Germans. Moreover, the present Croatia is different from the Independent State of Croatia in one key aspect. It did not emerge through the will of some foreign factor, and even less on its bayonets. The present Croatia emerged through the will of the entire nation, and it was defended by its own blood.

However, the fact remains: Without the political support of Germany, and without the persistent engagement of the Bonn government, international recognition would not have occurred for a long time after, which, considering the sequence of events, could have had disastrous consequences for the country.

Kamber's quoted remark is thus analogous to the present situation in only one aspect: If Germany were to abandon Croatia, Croatia could hardly survive as a democratic and European country. It would be left alone (without a single power to back it up), which would make it a complete victim of the interests of others and of international haggling. Only the politically autistic can dream of a Croatia that will eventually defeat the entire world and promote its interests contrary to the will of everyone else.

II

If this is so, the question arises of why the relations between Bonn and Zagreb have cooled to the extent that many people in Croatia are under the impression that "Germany has abandoned us"?

Reasons lie on both sides, and they can not be reduced to one political escapade or another, or even a strategic failure or something of the kind.

If something has not been fully understood in Zagreb (this relates equally to the politicians in power and the ones in the opposition, but also to the media), it is the circumstances under which Bonn came to the diplomatic recognition of Croatia. These circumstances were so difficult, so dramatic, and so risky for Germany, that the consequences are still being paid by both sides. Now it is clear that Genscher had to leave the helm of German diplomacy because of Croatia, as after he had practically forced his partners in the Community to diplomatically recognize Croatia, he became so isolated that he had to leave. Bonn is still paying for this. Paris and London, and sometimes Washington, reproach Germany for having recognized Croatia too early, and thus causing all that has happened at the territory of the former Yugoslavia, and, indirectly, among the Western partners.

If the depth and the dramatics of the German situation that emerged with the recognition of Croatia were realized, it would become clear why Bonn had to take a distance from its own Yugoslav policy, and thus partly from Zagreb also. What SUDDEUTSCHE ZEITUNG, which does not particularly favor Croatia, has recently written would also be clearer. This Munich paper has written that Germany (in the second round) had to pay for favoring Croatia, but that Croatia itself also had to pay for it in a certain way, as it was through Croatia that Bonn was reproached.

If all this had been realized on time, there would have been much less "disappointment with Germany," and many political moves would have been made with greater caution, and probably with more consideration of the matter. The current political pragmatism of Bonn, as well as a certain lack of principles, would also have been easier to understand, and all of this would have made relations easier.

III

Despite the feeling in Zagreb that "the Bonn politicians have abandoned us," and despite the feeling in Bonn that "Croatia is not acting appropriately," one thing seems to be certain. As long as this government, headed by Chancellor Kohl and Minister Kinkel, exists, Germany will not "let Croatia fall." The most prominent Bonn diplomats and the most influential German news analysts are convinced that this is so. Such rumors are arriving from both Kohl and Kinkel's circles. Finally, it is discernible in the moves that the government in Bonn has made so far. Kinkel did at times heavily, perhaps even excessively, criticize certain moves that Zagreb had made, but he also, at a crucial moment, prevented sanctions being imposed on Croatia by the European Community.

Moreover, within the German-French initiative, he has pushed the solution to the problem of the occupied territories in Croatia into the Bosnian package, which is, objectively speaking, the first time that someone has pushed in some political willingness and pressure into the already dead Vance plan.

Those who know Kinkel say that, emotionally, he has a positive orientation toward Croatia, and that, due to his deep moral principles, he would never "let Croatia fall," as he considers Croatia to be a victim of aggression, and it would be completely immoral to let that happen.

Chancellor Kohl shares this disposition, historically seeing Croatia in Europe in spite of all the present irritations!

IV

Therefore, there is a basis for remedying the present relations. However, two more facts should be taken into account. Next year, federal elections will be held in Germany.

Whatever the outcome, and whatever possible changes there may be, one thing is quite certain: Kinkel will retain the helm of Bonn diplomacy. And when it comes to the policy toward the former Yugoslavia, which also holds true of other areas, it is formulated by the foreign minister! A prominent German press reporter has formulated it this way in the lobbies: Kohl may be behind Kinkel, but where Croatia is concerned, the German Government is exclusively Kinkel!

V

Germany is aware of the importance that the sanctions against Serbia have for Croatia. This is virtually the only card Croatia can play in the long run regarding the solution to the problem of the UNPA's [UN Protected Areas].

Apart from the controversial policy toward Bosnia, this is why the attempt of Zagreb to solve the problem in direct negotiations with the Serbs, that is, Belgrade, is viewed with suspicion. Not only because no one trusts Milosevic there, and because they thus wonder at the fact that people in Zagreb do trust him, but also because negotiations between Zagreb and Belgrade may create the impression that the Croats and Serbs are on the right path and that they are capable of finding the solution themselves. In other words, this would mean that the sanctions against Serbia are in this respect not necessary. The papers do not write about this, and the Bonn politicians do not talk about it publicly, but this is the way things are. On the other hand, it is clear that this makes the German insistence on sanctions against Serbia difficult, even more so as Bonn is under a tremendous amount of constant pressure from Paris and London regarding this matter.

VI

This is why Croatia, negotiating with Belgrade, is advised to keep emphasizing—in Bonn as well as in Paris and London—that chances of reaching an agreement are slim, and that this is why the sanctions should remain in force, and if they are to be lifted there would "certainly be a new Serb-Croat war." Its consequence would be hundreds of thousands of more refugees who would first run to Germany, and then elsewhere!

VII

Naturally, the claim that Croatia can not manage without Germany by no means implies that Croatian foreign policy should be directed exclusively toward Bonn.

It has to be multilateral, as Europe, despite all the national-interest sentiments of its members, is increasingly politically multilateral. However, what is vital to the Croat people is to ensure that, in crucial moments and in extremely critical situations, they have support. As things are at present, and as it seems they will probably remain for a long time, only Germany can provide that support.

Bosnian Foreign Minister Visits Ljubljana

AU2311174793 Ljubljana Radio Slovenia Network in Slovene 1430 GMT 23 Nov 93

[Text] Foreign Minister Lojze Peterle received recently appointed Bosnia-Herzegovina Foreign Minister Irfan Ljubjankic in Ljubljana this morning.

During the official talks they raised numerous topics, ranging from the political future of Bosnia-Herzegovina and mutual cooperation to the assistance that Slovenia provides to the refugees. Nadja Pengov reports:

[Begin recording] [Pengov] The Bosnia-Herzegovina foreign minister on this occasion again thanked Slovenia for the political support that it gives to his country and for everything that it has done on the humanitarian level. I have been told, he stressed, that certain status issues of the refugees have been resolved in Slovenia better than in any other country that has taken care of them.

The principled stance of Bosnia-Herzegovina after the Luxembourg talks and prior to the Geneva meeting remains unchanged, Foreign Minister Ljubjankic stressed. The moral capital remains on the side of Bosnia-Herzegovina, which has the right to self-defense and efforts to restore order on its territory. Bosnia-Herzegovina will persist in the struggle against the exclusivistic and nationalistic conceptions that led to the war. They will agree to some painful compromises, but only to a point:

[Ljubjankic in Serbo-Croatian fading into Slovene translation] Bosnia-Herzegovina, regardless of its internal constitution, must remain an internationally recognized state and a UN member with guaranteed outside borders. Also, the Bosnian Republic, the majority of whom would be Muslims, must have the prerequisites for survival, including transportation links.

[Pengov] And now the Slovene Foreign Minister. In today's talks Slovenia reiterated the political line it has been advocating toward Bosnia-Herzegovina and will insist on issues of principle:

[Peterle] Slovenia, naturally, insists on the integrity of Bosnia-Herzegovina as a state. In this sense I was particularly pleased by the assurances, that is to say, information that the Bosnia-Herzegovina government has consolidated itself by including all three ethnic elements of this state in the Presidency, the government, the parliament, and also in defense forces. I believe that this is also one of the arguments in favor of viewing Bosnia as a whole.

[Pengov] The foreign ministers of both countries also discussed some issues concerning interstate relations, including the possibilities for transit of a part of goods via Slovenia and possible opening of a logistic center for humanitarian aid. [end recording]

Parliament Tightens Criteria for Naturalization

AU2311173693 Ljubljana Radio Slovenia Network in Slovene 1430 GMT 23 Nov 93

[Excerpt] The State Chamber deputies today devoted most of their time to the proposed law on changes and appendices to the Citizenship Law of the Republic of Slovenia. The law, which was proposed by a group of deputies of the Slovene Peoples' Party, was also adopted. It will tighten the criteria for the acquisition of Slovene citizenship.

The deputies also passed a law on compulsory settlement of debts, bankruptcy, and liquidation and a law on economic crime in summary procedure. Alenka Terlep reports from the Parliament:

[Begin recording] The law will tighten the criteria for the acquisition of Slovene citizenship. Let us look at what a foreigner, wishing to obtain Slovene citizenship through naturalization, will have to meet. There are eight conditions: age over 18, renunciation of previous citizenship, 10 years of residence in Slovenia of which five years must be continuous, secured housing, source of income that would guarantee social security, knowledge of the Slovene language, no criminal record, [word indistinct] that granting the Slovene citizenship would not threaten our country. These are, therefore, the criteria for naturalization. In the final instance, the state office grants citizenship at its own discretion.

However, the independent group of deputies tried to tighten these conditions much more. For example, Marijan Poljsak demanded 15 years of continuous residence in Slovenia, a written and oral Slovene language test, a Slovene history exam, and a Slovene culture exam, as well as proof that the applicant actually uses the Slovene language in public life.

The deputies, whom Poljsak assured should feel no pangs of conscience for voting in favor of his amendments, nevertheless rejected them for various reasons. It was stated that even at present applicants must pass a [Slovene language] test—given at the ministry every Thursday, that the criteria are strict enough, and that one cannot be examined in Slovene culture but can merely live in such manner. [passage omitted] [end recording]

Federal

Jovanovic Comments on Franco-German Proposal

AU2211212793 Belgrade RTB Television Network in Serbo-Croatian 1830 GMT 22 Nov 93

[Interview with Vladislav Jovanovic, foreign minister of the FRY, by Dusan Cukic; place not given, on 22 November—recorded]

[Text] [Cukic] Mr. Jovanovic, what do you, the Yugoslav foreign minister, think about the decisions in Luxembourg and this entire German-French plan?

[Jovanovic] It is a positive fact that two of the most important countries of the European Union are showing a direct interest in accelerating the peace process in Bosnia-Herzegovina and in finding a positive settlement to the Yugoslav crisis as soon as possible. It is particularly significant that for the first time these two countries are speaking in favor of lifting the sanctions, although they are doing so under somewhat euphemistic phrases that are insufficiently clear to us, and therefore not completely acceptable.

On the other hand, these thoughts are more ambitious and are trying to get a little deeper into the Yugoslav crisis, something that we do not see as the happiest solution, since some initial assumptions have not been identified absolutely clearly. For instance, there is the idea of resuming the London conference (?at another stage). This in itself can be useful, however nothing is being done with a view to first establishing the full equal status of Yugoslavia as a participant at such international meetings.

On the other hand, there is talk of lifting sanctions more in the form of a suspension rather than actual lifting, although the relevant Security Council resolutions speak of lifting the sanctions after certain conditions are met. The interim solution of a suspension is good if sanctions are suspended right at the beginning of this final negotiating process on the crisis in Bosnia-Herzegovina, and if the final act of lifting the sanctions follows the implementation of the decisions made at such a conference on a political solution to the crisis in Bosnia-Herzegovina. As things stand now, this is a step backward compared to what the Security Council resolutions envisaged, and that is the lifting of sanctions after these conditions are met.

However, let me go back to what I said at the beginning, the very fact that sanctions are on the agenda and are being discussed as a current political issue, and the European Union itself is involved in this in a very specific and engaged manner, is positive in itself. After we get the full text of this declaration, that is, the document of the European Union, we are going to express our opinion on that more fully.

Jovanovic: Sanctions Must Be 'Abolished' Altogether

LD2311194693 Belgrade TANJUG Domestic Service in Serbo-Croatian 1905 GMT 23 Nov 93

[Text] Rome, 23 Nov (TANJUG)—Yugoslav Foreign Minister Vladislav Jovanovic stated in an interview to the Italian ANSA news agency today that "once peace in Bosnia is restored, sanctions against Yugoslavia must be abolished altogether, not just suspended or eased."

Stressing that this was envisaged in the UN resolution by which sanctions against Yugoslavia were imposed, Jovanovic stressed that "no additional conditions for the lifting of sanctions which the European Community has been trying to set could be accepted."

"Suspension or easing of the sanctions can be accepted only in this phase as an urgent step which would have a stimulating influence on negotiations on the conclusion of peace in Bosnia-Herzegovina," Jovanovic said.

He reiterated that Yugoslavia cannot decide whether the Bosnian Muslims would be given 3 percent of the Serbian territory, but said that "this is not an unsurmountable obstacle, that is, it is not a reason for obstructing peace, and even less for continuing the war."

Speaking about relations with the Adriatic neighbor, Jovanovic said that "it is high time that Italy and Yugoslavia remembered the past and reestablished a policy of friendship and bilateral cooperation."

Currency Denomination, Hyperinflation Viewed

LD2311140093 Belgrade TANJUG in English 1300 GMT 23 Nov 93

[Report by Milica Knezevic]

[Text] Belgrade, Nov 23 (TANJUG)—Less than two months after the re-denomination of the national currency, dinar, when six zeros were erased from the banknotes, the Central Bank of the Federal Republic of Yugoslavia issued a new bank-note with seven zeros on Tuesday [23 November].

The 50-million-dinar bank-note is worth 8.8 Deutsche marks [DM] at the official and a little over six DM at the street exchange rate.

Cash is in constant short supply in Yugoslavia, although the money printing office is working overtime, in three shifts. The monetary authorities have been issuing new banknotes every two weeks, but their life-span is increasingly shorter.

The 500,000 dinar bank-note, which was worth seven dm ip the street when it was issued on October 30, was worth less than one pfenning on Tuesday. The bank-note became practically worthless in only 25 days.

The hyperinflation is the result of the economic chaos which is increasingly present at the monetary and goods markets, after nearly 18 months of the international blockade.

The sanctions were introduced by the U.N. Security Council due to Yugoslavia's alleged involvement in the civil and religious war between the local Moslems, Serbs and Croats in the former Yugoslav republic of Bosnia-Herzegovina.

Radical measures to curb hyperinflation are impossible to apply as long as the sanctions are in force, banning all imports and exports, blocking all finanial operations outside the country and freezing Yugoslav assets in foreign banks, said economic experts.

Production is dropping and the October polls disclosed that nearly three quarters of the industry is at a standstill due to the shortage of raw materials, manufacturing components and energy products. Producers have been rising prices every day in order to preserve the value of their products.

According to official statistics, retail prices increased by nearly 1.900 percent in October.

Measured by the increase of the foreign currency exchange rate, the October inflation amounted to 25,000 percent. The exchange rate of Deutsche Mark rose 260 times in the period from October 21 to November 21, which was a daily increase of 19.6 percent or 0.75 percent per hour, said Belgrade economic expert Mladjen Dinkic.

In comparison, when the financial breakdown took place in Germany in October 1923, the country's daily inflation ammounted to 21.8 percent or to 45,213 percent for that month.

Extra pensions are being paid on Tuesday in Serbia in order to enable the elderly to survive until the next regular payment early next month. The highest pension is worth 3.1 DM.

To illustrate the buying power of such an ammount, a liter of milk costs 15 million dinars or two Deutsche marks on Tuesday.

The World Bank has determined the survival minimum of one dollar per person per day, which is the amount presently available to the average four-member family in Yugoslavia.

Kontic, ICRC Chairman Discuss Humanitarian Aid

LD2311150793 Belgrade TANJUG Domestic Service in Serbo-Croatian 1352 GMT 23 Nov 93

[Text] Belgrade, 23 Nov (TANJUG)—Yugoslav Prime Minister Radoje Kontic today received Cornelio Sommaruga, chairman of the International Committee of the Red Cross [ICRC], the Federal Ministry of Information announced.

During their meeting they discussed the issue of exchanging POW's and displaced persons and the ICRC's humanitarian aid activities.

Prime Minister Kontic commented positively on a decision by the ICRC that the Red Cross of the FRY will be an equal participant in the work of this international organization as this is a condition for the successful implementation of Red Cross actions.

Prime Minister Kontic particularly informed Sommaruga about the consequences of the sanctions on the FRY stressing that they have also been applied to areas not mentioned in United Nations Security Council resolutions. This primarily refers to the import of goods for humanitarian purposes, in which the Security Council Sanctions Committee has not been reacting in a timely manner, or has been delaying the adoption of decisions by putting forward numerous demands, which is the case with the import of gas for humanitarian needs.

It was stressed during the talks that humanitarian actions carried out by the Red Cross and other organizations should be separated from political relations and measures should be taken for their smooth implementation.

As for the Croatian POW's, it was stressed that there are no POW's in the FRY, apart from 11 Croatian terrorists who were caught near Sombor, which the FRY did in keeping with a Budapest agreement.

ICRC Head Offers Mediation in POW Exchange

LD2311184493 Belgrade TANJUG Domestic Service in Serbo-Croatian 1707 GMT 23 Nov 93

[Text] Belgrade, 23 Nov (TANJUG)—Cornelio Sommaruga, the president of the International Committee of the Red Cross, declared in Belgrade today that he was concerned over the negative effects of the sanctions on the most vulnerable segments of the population.

He said at a news conference in the International Press Center that, as president of the Red Cross, he could not approve of the sanctions because he knew whom they were affecting, and added that they should certainly not include medical aid and food supplies.

Sommaruga disclosed that he discussed humanitarian aid today with the Yugoslav prime minister and deputy prime minister, as well as with the Serbian president.

According to him, the Red Cross extended aid in medicines and equipment to Yugoslavia this year to the amount of 1.5 million Deutschmarks [German marks].

Moreover, the International Red Cross will expand its cooperation with the Yugoslav Red Cross in order to boost its effectiveness.

Sommaruga said that he had offered his services to the Yugoslav Government, on behalf of the International

Red Cross, as a neutral mediator in resolving sensitive issues pertaining to the exchange of prisoners of war with Croatia.

He recalled that the Red Cross was actively involved in the search for missing persons in the areas under UNPROFOR's [UN Protection Forces] protection, but that no reliable figures as to their numbers exist yet.

He said that "despite his grief over the suffering of a nation at war" he was an optimist regarding the Geneva declaration on humanitarian issues.

He underlined that he detected goodwill for the resolving of problems on the part of his collocutors in Belgrade, and that he was leaving Belgrade with the impression that a change had occurred, and that the awareness of the necessity for the establishment of peace existed.

Aid Convoy Freed, Departs for Sarajevo

LD2311183893 Belgrade TANJUG Domestic Service in Serbo-Croatian 1732 GMT 23 Nov 93

[Excerpt] Belgrade, 23 Nov (TANJUG)—The Medjasi Children's Embassy announced today that workers of Romanijaput had cleared three kilometers of road near Vlasenica, thus enabling a humanitarian aid convoy to continue its journey to Sarajevo.

The convoy includes 20 trucks of aid that is being transported from Skopje to Sarajevo via Yugoslavia and the republic of Srpska. [passage omitted]

Socialists Deny Organizing Paramilitary Groups

LD2311190793 Belgrade TANJUG in English 1756 GMT 23 Nov 93

["Pool" item]

[Text] Belgradejn Nov 23 (TANJUG)—"Serbia and the Federal Republic of Yugoslavia (F.R.Y.) have never organized or participated in organizing paramilitary formations," said on Tuesday [23 November] spokesman for the ruling Socialist Party of Serbia (SPS) Ivica Dacic.

This was his answer to a question by an American journalist at today's news conference. The journalist had invoked allegations by certain unnamed persons saying that Serb paramilitary formations in Bosnia-Herzegovina were organized by the authorities in Serbia.

Dacic added that the SPS was "aware that many war crimes have been committed in the areas of ex-Yugoslavia," but his party was striving for "all the war crime cases to be investigated and their perpetrators punished, no matter who have committed the crimes."

Noting that the setting up of an international tribunal in the Hague for war crimes in the ex-Yugoslav territory alone was "a legal precedent not recognized by ourselves," Dacic added that "if there are war crimes committed by F.R.Y. citizens," the perpetrators would be tried in Yugoslavia.

Dacic hoped that time would come when also those would be tried who had undertaken sanctions as a criminal act towards an entire people and the civilian population of the F.R.Y., "who have by no act of their own jepardized peace in the ex-Yugoslav territory."

The U.N. in May, 1992, imposed sanctions on the F.R.Y. under a groundless charge that the F.R.Y. was involved in the Bosnian conflict. The sanctions, however, were not lifted even when the international community admitted that a civil war, not an aggression, was taking place in Bosnia.

Because of the sanctions-induced shortages of basic food and medicine, the death rate has risen by 10 per cent and the number of communicable diseases quadrupled in the F.R.Y.

Revealing his party's election slogan "for Serbia," Dacic emphasized that it also presented the essence of the SPS policy aimed at the well-being of Serbia, the F.R.Y., all citizens and the entire Serbian nation.

Croatia Accused of Violating Arms Embargo

LD2311231293 Belgrade TANJUG Domestic Service in Serbo-Croatian 2057 GMT 23 Nov 93

[Text] New York, 23 Nov (TANJUG)—Dragomir Djokic, the Yugoslav ambassador to the United Nations, sent a letter on Tuesday [23 November] to the Security Council chairman, warning about Croatia's persistent violations of the embargo on arms imports.

It is recalled in the letter to Jose Luis Jesus, that Croatia had been importing arms illegally even before its secession from Yugoslavia, and that this practice has continued ever since, despite Security Council resolutions.

"This is particularly alarming because it threatens the fragile peace and heightens tensions in the region, diminishing the possibilities for a comprehensive and peaceful solution," the letter says.

Citing an article carried by the British magazine DEFENSE AND FOREIGN AFFAIRS-STRATEGIC POLICY, Djokic writes that Croatia had imported, among other things, 10 MIG-21 planes from Austria and three from Germany in 1992. In addition to this, it has a number of M-24 helicopter gunships which the Yugoslav Army had left behind after its pullout from Croatia.

"In conformity with UN Security Council Resolution 786, UN military observer teams and EC controllers are constantly monitoring Croatian airports," Djokic writes. "Despite this, Croatia continues to modernize its airforce unobstructed and is using it against targets in the UNPA [UN Protected Areas]."

These activities, the Yugoslav letter says, are not only a violation of relevant Security Council resolutions, "but are contrary to the essence of the Vance plan and all peace efforts."

Serbia

Milosevic Praises Work of International Red Cross

LD2311232293 Belgrade TANJUG in English 2252 GMT 23 Nov 93

[Text] Belgrade, November 23 (TANJUG)—President of the Yugoslav Republic of Serbia Slobodan Milosevic paid tribute Tuesday [23 November] to the International Committee of the Red Cross (ICRC) on its consistent engagement and perseverance in providing aid to all those who need it.

In a talk with ICRC President Cornelio Sommaruga, Milosevic, as statement issued by his office set out, paid tribute to the ICRC also for its principled stand towards the Yugoslav Red Cross organization. The president said Sommaruga personally has contributed to preserving the status of the Yugoslav Red Cross within the International Red Cross organization.

This was an example which should be followed also by other international organizations, said the Serbian president.

The statement from the Serbian president's office said it was noted in the talk that despite significant engagement of the ICRC the work of this organization cannot make up for the losses the Yugoslav population suffered due to the economic sanctions, as an 'act of violence by the international community.'

The U.N. Security Council imposed in late May 1992 comprehensive and binding sanctions against the Federal Republic of Yugoslavia over its alleged involvement in the war between the local Moslems, Serbs and Croats in the former Yugoslav Republic of Bosnia-Herzegovina.

In this context, the situation with extending the so-called humanitarian aid was absurd, the statement said, as the international factors on the one hand imposed economic sanctions and on the other offered humanitarian aid. Thus the ethical principles which the international community urged were clearly being transgressed, while the economic sanctions, whose aim was reportedly to safeguard peace and human rights, violated the fundamental human rights of the country's population as a whole.

Sommaruga toured Tuesday the Yugoslav Red Cross organization headquarters and talked with its president Radovan Mijanovic. He, as set out, stated regret over the tragic events on the territory of the former Yugoslavia.

Muslim Parties to Run in Elections

AU2311144893 Belgrade POLITIKA EKSPRES in Serbo-Croatian 20 Nov 93 p 2

[Report by M. Popovac: "The Muslims Have Candidates"]

[Text] Novi Pazar, 20 Nov—Even if the Party of Democratic Action [SDA] boycotts the December elections, the Muslims will have their representatives on the lists, because the Reformist Democratic Party of Sandzak and the Alliance of Sandzak People of Yugoslavia, whose membership is predominantly Muslim, are going to take part in the race for the deputy seats.

In addition to these two parties, the League of Communists-Movement for Yugoslavia will candidate several Muslims, while the Socialist Party of Serbia [SPS] has already done so. The Main Committee of the SDA for Sandzak will meet today, and will decide whether this, the strongest Muslim party, will participate in the elections. This decision—at least according to realistic assessments—will be followed by the Liberal Bosniak Organization [LBO]. It is known that the Executive Committee of the SDA has advised that the elections be boycotted, but it is also known that significant rifts exist within the party itself.

The Communal Committee of the SDA in Novi Pazar and another civic committee, have decided to support our candidates even if it is decided that we should not go before the voters, announced Nedjib Kacar, president of the Alliance of Sandzak People of Yugoslavia, and explained that the Communal Committee of the LBO in Sjenica—which has fallen out with the headquarters in Novi Pazar—will do the same.

The Sandzak people are counting on private entrepreneurs and Europe-oriented Muslims, while the Reformists are offering a program that envisages Sandzak as a region, but "without state attributes, without partitioning Serbia and joining some other state, and with mechanisms that exclude the domination of one people over another," said the leader of this party, Izudin Susevic. The number-one man of the Sandzak people promised that he would soon release to the public information on who requested the blockade on the Turkish border, where over 100 trucks, full of goods, have been waiting for days.

There are rumors in the town that this is the doing of a party from Sandzak, that it is calling for tightening the embargo against Yugoslavia, and that it is an economic catastrophe for Novi Pazar and other Sandzak cities, where the greatest number of citizens live off trade, said Kacar.

The story among the Pazar businessmen is that Sulejman Ugljanin, who has been in Turkey for some time now, was involved in this case because "why should the Muslims violate the blockade and supply Serbia with goods."

Sandzak Muslim Leader on Election Boycott

AU2311171893 Belgrade Radio Beograd Network in Serbo-Croatian 1400 GMT 23 Nov 93

[Text] The Executive Commission of the Party of Democratic Action [SDA] of Sandzak has recommended to the SDA Main Committee that they boycott the December elections. This was said at today's news conference in Novi Pazar by SDA Secretary Rasim Ljajic.

Bisera Vukasinovic reports:

[Vukasinovic] As reasons for the boycott of the elections, Rasim Ljajic gave the media campaign against the SDA, the threat of arrest of party leader Sulejman Ugljanin, the searches of Muslim houses, and the emigration of Muslims because of such pressures. He claimed that 8,000 of the total 12,000 Muslims have moved out of the Priboj commune, while some 7,000 to 10,000 have moved out of the (?Cutin) commune.

However, the SDA Main Committee might revise this decision by 4 December, Ljajic said, stressing that the SDA did not harbor any illusions about resolving its [words indistinct] outside the institutions of the political system.

Commenting on the decisions of the EC ministerial council, the Sandzak SDA secretary stressed his satisfaction with, as he said, the high profile of the Sandzak issue, but also expressed reservations about the implementation of the Franco-German plan for Bosnia-Herzegovina. He expressed doubts that the Bosnian Serbs were ready to give territorial concessions, and that a political agreement on this issue could be reached between Belgrade and Pale.

Depos Criticizes TV for Commentary

AU2311163493 Belgrade Radio Beograd Network in Serbo-Croatian 1400 GMT 23 Nov 93

[Text] The Democratic Movement of Serbia [Depos] will not accept the initiative by the Democratic Party, that is, Zoran Djindjic, and will not sign the letter to be sent to the [UN] Sanctions Commission to demand the alleviation or lifting of the sanctions. This was said at the news conference by Depos spokesman Ivan Kovacevic. Vladimir Nikolic reports:

[Nikolic] According to Kovacevic, Depos appreciates Mr. Djindjic's concern, but it appreciates its reputation, too. That letter was offered for signing to Slobodan Milosevic and Zeljko Raznjatovic [Arkan], and those who brought sanctions upon Serbia cannot also lift them, Kovacevic said. In his view, the signature that they would place alongside Zeljko Raznjatovic's would damage Depos's reputation, and would also reduce the possibility for the lifting of the sanctions, even when Depos wins.

Aleksandra Jankovic, member of the Executive Committee of the Serbian Renewal Movement [SPO], said that the entire Depos campaign would be cut because, among other things, state television was demanding 850 German marks in dinars per second of advertising time. The Depos representatives expressed their dissatisfaction with what was said on Saturday's television Dnevnik newscast in Stefan Grubac's commentary about Depos's top candidate and one of the candidates for people's deputy, for which they would seek legal protection from the relevant judiciary bodies, the Serbian elections commission, and the supervisory body in charge of observing the elections.

During the next few days, former federal prime minister Milan Panic will join the Depos campaign, who has already given his full support to this coalition. This was said, among other things, at the Depos news conference.

Spokesman Says Sanctions Reveal CIA 'Strategy'

AU2311154693 Belgrade Radio Beograd Network in Serbo-Croatian 1400 GMT 23 Nov 93

[Report by Dragoljub Stankic on the news conference by the Socialist Party of Serbia, in Belgrade on 23 November—recorded]

[Text] [Stankic] Asked by reporters what the Socialists' attitude was to the existence of paramilitary formations in Croatia and Bosnia, [Socialist Party of Serbia spokesman] Ivica Dacic said that the party's consistent view has always been that not a single soldier of the Yugoslav Army was outside the Yugoslav borders, and that Serbia has never organized or sent any military formations anywhere. If there are cases of war crimes, and the perpetrator is in our country, then this falls within the jurisdiction of the regular courts, and the Socialists are committed to all cases being investigated and the perpetrators punished, regardless of which side is in question.

As for the initiative for lifting the sanctions in return for 3 percent of the territory, Ivica Dacic said that it was now clear to everyone what the issue is.

[Dacic] It is an issue of territory and interests, and not an issue of the political regime, elections, or support for any political party in Serbia and Yugoslavia. Therefore, it is an issue of interests and territories, and that reveals the entire strategy of the international community and the CIA. I think that this puts a stop to any other speculation. This shows that the entire world has realized that the sanctions are absurd, counterproductive, and an obstacle to a peaceful solution for Bosnia-Herzegovina. The sanctions have remained as the only trump card for the Muslims, who, as you know, are refusing to sign the peace plan.

[Stankic] The reporters were interested in the Socialists' attitude toward the return of Milan Panic to the political scene. Ivica Dacic said that his fate had been determined by the results of the previous elections.

Article Sees Media Under Milosevic's Thumb

AU2211162893 Podgorica MONITOR in Serbo-Croatian 12 Nov 93 pp 26,27

[Article by Stevo Batic: "Some Like It Public"]

[Text] If by any chance Aztec king Montezuma had risen from the dead in the middle of Belgrade, and in the middle of the election campaign, and if he had lined up the directors and editors in chief of the far-reaching Serbian media, like Slobodan Milosevic did "at their own request," he would have quite certainly told them less fantastic, less unbelievable, and surely less ridiculous political facts. And not only that. Quite certainly, he would not even have thought about making retarded clowns out of his chiefs of propaganda before the eyes of the broadest TV audience, coercing them into enjoying their status to the utmost self-exhaustion. Although he knew that the majority of those present do that even without coercion, the president could not resist the temptation.

Quite in a nonpartisan manner, and in accordance with his fame as the president of all citizens of Serbia, apart from several observations regarding international politics, he also gave some purely practical guidelines to his honorable patients for future patriotic activities:

1. against the opposition ("this people will never accept slavery" and "the international community will not choose our government");

2. against an adequate media promotion of real rivals ("It would not only be indecent, but also disgusting not to make possible for all parties to have equal (TV) time for adequate promotion.");

3. against prodding the nerve center of the internal economic chaos ("Actually, 95 percent of the transactions that are creating chaos are going through the banks, while only 5 percent of such transactions are happening on the streets," so for that reason one is supposed to recognize in those 5 percent "the architects of darkness, fascism, violence, and crime"); 4. against morality ("The media in our country played a war-mongering role... the role of an unprincipled confrontation," while "we did everything to prevent the escalation of the conflict."); 5. against the sense of sight ("We are not left without food... without fuel... we have increased the production of electrical energy... coal... the agricultural production" and "therefore you are supposed to give an explanation—a correct explanation, not a false one—why the people are standing in lines, and why the economic situation is difficult."). The cream of the story is the president's concluding words, by which he closed this session that was viewed by a considerable part of the world as well: "So, as far as I can see, there are nine of you here. The tradition of our people says that the proportion nine to one is quite endurable." To round off the illusion, and make the fabrication even more convincing, the president had to lie even about such banal matters. Because there were, there were—11 to one.

Propaganda Agency

Nor did the other side show itself in a better light. It fell to Slobodan Jovanovic, federal deputy and high official of the Socialist Party of Serbia [SPS], and by the way, director of TANJUG as well, to initiate such a meeting on the occasion of his firm's important anniversary. In the last 10 years this man first performed a function in the City Committee of the Association of Communists of Belgrade, he was in charge of the neutralization of negative effects of the freedom of the press (which he has continued to perform under Milosevic as well). Then he was transferred to EXPRESS POLITIKA, and made an unprecedented war-mongering bulletin out of it. When the circulation that was once measured by hundreds of thousands of copies dropped to a mere 30 [not further specified], he was literally thrown out of the editorial office. For a job well done the boss rewarded him with the post of director of TANJUG, which made all the literate people there take to their heels in flight. Still, some anonymous people appeared from nowhere, who are perhaps unable to write what they think, but are very well able to think the way it should be written. TANJUG ceased to release information, what it now releases is SPS propaganda, TANJUG serves to foster all those who are no longer needed by anybody, in TANJUG one can hardly find a telephone that works, let alone some more contemporary civilizational achievement from the field of information science, whereas in return for their righteousness the staff is paid monthly salaries whose value does not exceed the value of the consumers' daily shopping handbag. Once a very respectable news agency, TANJUG is slowly but surely vanishing through the obscure corners of the building, that—what a coincidence!—in the times when TANJUG was in its infancy, was the headquarters of the Gestapo. So much for the man who in that session represented the hub of the Serbian information system and was the closest to Milosevic's feet.

Rade Brajovic from VECERNJE NOVOSTI was also startled when the big boss mentioned war-mongers. He remembered that in the last two or three years on the pages of his newspaper at least 10 million Serb civilians had been killed by Ustasha or balija troops [derogative name for Muslims], after which the remaining Serb avengers had killed at least as many Ustashas and mojahedin. He might also remember that in VECERNJE NOVOSTI there was a man in charge of the coordination and harmonization of war results. There happened to be also some mistakes in the harmonization. So it happened that Rade Brajovic had to stomach a huge cover headline according to which somewhere around Pakrac one Serbian civilian had been killed, while on page 36, somewhere at the bottom, stood a small headline above a short text reporting on 50 Serbian civilians who had been massacred. However, that is not Brajovic's greatest professional achievement. On the occasion of some recent anniversary of VECERNJE NOVOSTI, Brajovic stressed that the ability to state news in one single sentence is the greatest achievement of the journalistic school of VECERNJE NOVOSTI. Hadzi Dragan Antic,

first man of POLITIKA, a newspaper with a 90-year-old tradition, was brooding a long time over how to ask the president a question without causing his countenance to darken, so he thought out: "...You cannot top the list, as was falsely interpreted, or can you?" [sentence as published] Dragoljub Milanovic from Television Belgrade looked as if he had wet his pants for fear that the president might ask him something about his relationship with Seselj.

Suicide From an Ambush

With particular attention the public expected to see the president's attitude toward the representatives of the independent, that is, opposition media. And it is better that they did not see it. Slavko Curuvija, first man of BORBA, is quite a celebrity, because, as soon as he becomes angry, he blurts his information sources out, and he pays his employees (instead of a promised 60 to 70 German marks) literally with meat bones (10 kilograms for two months). In view of all the trouble he could have done to Milosevic, he decided to do that to the opposition, or precisely to the Serbian Renewal Movement. So he asked the president, with a look of disgust, whether he could imagine a situation in which Danica Draskovic would be director of the Serbian Television, while Mihailo Markovic would be the police chief. The fact that in this question Milosevic saw "the opposition's desire to win," shows how inconceivable Curuvija's conduct was. Aleksandar Tijanic, future boss still in his infancy, the man whose greatness is already making him paranoid, director and gnawer [word as published] of the ever more popular TV Politika, and the official darling of Milosevic's wife Mirjana Markovic, also used the opportunity, just like Curuvija, to provide himself with some private alibis. He insisted that the president state his view of the situation in which the classic prototype of a criminal is becoming an acceptable social model. Those who understood the question also understood that Tijanic, quite cleverly, asked it out of fear, rather than out of curiosity. The issue is that this classic prototype of a criminal is the quite concrete Zeljko Raznjatovic "Arkan," while the story has a short history as well. Recently, in TV Politika's broadcast Press Club hosted by Zdenka Acin, the aforementioned Arkan was a guest (imagine Arkan and the press!?). After responding to Acin's questions in a manner more applicable to Mother Theresa than to the registered criminal, a piece of paper arrives on the table. Arkan grabs it, and reads the message—somebody views the conversation as empty, and questions Arkan about the criminality, protection money, crimes, and so forth. Arkan concludes that the message was sent by Tijanic, which Acin denies, claiming that her boss is not in the habit of doing, nor would ever do such a thing. After which another piece of paper arrives, saying that the first was really written by Tijanic. So, before the eyes of the broadest TV audience Tijanic made a fool of his journalist, just because he wanted to keep his vanity intact. On the other hand, the physical fear of Arkan has remained, although the attention drawn to that issue in front of the president and half of the country, and its having been formulated as a matter of principle, have considerably removed the likelihood of Arkan's revenge for some time. It seems that apart from the president personally, the most displeasing surprise of this media session was Dragan Kojadinovic, boss of the Independent Television Studio B, who was simply provoking Milosevic to belittle him, and to deny his representing the important benchmark in the Serbian media skies. The enigma of his vulnerability was soon unraveled: A short time before this broadcast, there occurred in his own house what he, as well as the Studio B viewers, could never have dreamt about. That event almost overshadowed the main event that we are dealing with in this article.

What happened is that the key journalist Lila Radonjic, editor of the news program, resigned, causing several more people to leave who represented the hub of the independent television program. The reported reason is the revolt against the mass purchase of television time for campaign purposes by Seselj and Arkan, which necessarily influence the contents and character of the program. What they actually demanded is that Studio B behave just like Television Serbia on the eve of the last year's elections, when the TV campaign spots of the Democratic Movement of Serbia had been rejected, because they had not harmonized with the program and the editorial concept of the state-run television. In vain did Kojadinovic explain that Studio B is a stock company, that they live on advertisements, and that television time is available to anybody. On the other hand, the elections, just like last year, are a unique opportunity for financial strengthening, that is, for accumulating considerable funds in a relatively short time (a 20-second-long spot costs up to 500 German marks, while half an hour of prime time costs around 2,500 German marks), no matter how unpleasant it is to watch the aforementioned faces on the television. However, this story has also started to assume quite an undignified profile. Even a brief look at the state of affairs has shown the following: The aforementioned Radonjic, respectable journalist and undisputed top professional, has always been a kind of veteran secretary in the [communist] party, who continues to be what she really is as long as she has a safe backing. Which is to say, she is a person who does not oppose the system, or act arbitrarily, or oppose the entire society for no reason, just like that. It has come to light that not so long ago she suddenly started a business in the internal resale of stocks, and in such a way that the disposal of stocks gives the control in decisionmaking to her and her partner Zoran Ostojic, gray eminence and chairman of the Association of Stock-Holders (because she is reportedly not well versed in gathering money, while he reportedly is). As the editor and a trusted member of staff she is mobilizing several more colleagues, as well as Ostojic himself, who is at present in America and Moscow (Kojadinovic helped him to settle some private problems), where he is standing up against the "despotism" and "treacherous behavior" of his boss. By the journalists' and announcers' boycott the entire program has been driven almost to the verge of collapse.

whereas at this moment, while we are writing this, Kojadinovic is probably trying to compose himself, and understand what he did wrong, particularly because he was the last to realize that the danger was coming from the circle of closest coworkers. And not from the moment when the purchase of television time became the issue, but even before. Who had the idea of crushing in this way Studio B from inside at the present moment, shortly before the elections, and perhaps by the agency of probably the best journalist, will be explained in time, but the fact is that Kojadinovic was encumbered with that burden when he appeared before the president, who criticized Kojadinovic even for being alive at all.

So, the representatives of the most influential media in Serbia did a double favor to the president in a single bow: They showed that each of them was born to be manipulated, and even enjoy it, while at the same time, at the beginning of the election campaign, they made it possible for him to build his tremendous figure on their own remains, elevating it to the very sky.

Macedonia

Pilots Point to Shortcomings in Air Traffic Safety

AU2311164293 Skopje MILS-NEWS in English 23 Nov 93

[Unattributed report: "Macedonian Pilot's Press-Conference"]

[Text] Macedonian Professional Pilots' Association held a press conference yesterday, on the actual safety situation in the air transport in the country. They objected to the unjustified delay in establishing aviation authorities in the country i.e. an administrative organ for civil air transport in the competent ministry. The professional pilots also emphasized the necessity of new law regulations for the air transport, and the inadequacy of the old ones, inherited from Yugoslavia. Macedonian planes still fly under Yugoslav registration marks, although Macedonia is admitted in the international organization for civil air transport—ICAO, and national registration marks have been determined back in May this year. The Ministry assigned nonprofessionals with this task, pilots said, and, again unjustifiably, withholds results from the work of the Committee for investigation on reasons for the accident of the Palair-Macedonia's plane Fokker 100, which happened in March, this year.

Pilots also pointed out that technical appliances of both airports are overused and often out of order. Procedures for safety landing at Ohrid and Skopje airports are insecure and useless at present, and radars for precise landing in unexpected situations must be installed on both airports. The runway at the Skopje airport is still not properly marked, and 3 planes have already been damaged. Even fences are not yet put around it, so there are cases of people and cattle walking freely on the runway. Hiring of foreign crews is not thoroughly regulated.

Despite often warnings by air transport inspectors, air companies regularly break the law and various strict international regulations on adequate personnel, work permits, or knowledge of the English language. All this calls for establishing competent air transport authorities, for issuing necessary licenses for professional pilots and other personnel, for registration of planes, and everything else concerning safe flying, pilots said on the press-conference.

Serbian Organization Claims Responsibility for Crash

AU2311154593 Skopje MILS-NEWS in English 23 Nov 93

[Unattributed report: "Telephone Threat"]

[Text] MAKPRES informs that the extremist group Serbian Patriots' Organization from Switzerland took over responsibility for the plane crash of Avioimpeks's plane near Ohrid, November 20.

An anonymous caller, with a "threatening voice", called paper RILINDJA's office, which, having been forbidden in Serbia, is now published in Switzerland, and said that "they will finish off all Albanians they come across, and that latest plane crash near Ohrid is their work."

Management of Pristina paper BUJKU, the source of the information, did not take the threat seriously, because it is obvious that the crash was "a terrible accident, caused by a human factor."

Montenegro

Bulatovic Discusses War, Sanctions, FRY Relations

LD1911094593 Belgrade TANJUG Domestic Service in Serbo-Croatian 1041 GMT 18 Nov 93

[Excerpts] Podgorica, 18 Nov (TANJUG)—On the occasion of the 50th anniversary of the TANJUG news agency, Montenegrin President Momir Bulatovic received a delegation of the news agency made up of its director, Slobodan Jovanovic, Editor in Chief Dusan Zupan, and editors Ivo Popovic and Rajko Banovic in Podgorica on 17 November.

On that occasion, President Bulatovic granted an interview to TANJUG, in which he replied to a number of questions regarding the international activities of and the internal situation within Montenegro and the Federal Republic of Yugoslavia [FRY].

Replying to a question about the real chances for restoring peace on the territory of former Yugoslavia, and thus, in practical terms, about the chances for resolving the issue of sanctions, Bulatovic said:

The role and positions of the FRY and of us, the people who have the opportunity to directly express and advocate them and negotiate on the basis of these positions,

has been well-known for a long time now. In my opinion, we have shown that we are genuinely devoted to peace and to those solutions that will take into consideration the realistic and objective interests of all nations and their equality on the territory of former Yugoslavia. Unfortunately, Yugoslavia was not created back in 1918 by the will of its nations alone, but through the force of international interests and spheres; it became obvious that at the moment of its disintegration, international factors again played a very significant role.

To our regret, this took place in an unprincipled way and with numerous mistakes, which were later admitted by the very creators and makers of that policy. As a consequence of that, we in the FRY have been exposed to inappropriate punishment and to unprecedented isolation and sanctions. But, we have survived though that period and have managed to preserve the dignity of our state and nation and to remain true to our elementary vital interests in this area, of course, not to the detriment of anybody else, nor to the detriment of our own position.

In the meantime, the high number of peace initiatives shows that the process of wandering hither and thither seeking an adequate solution is nevertheless continuing.

Our position is perfectly clear and known in relation to the latest Franco-German diplomatic initiative, which has not been defined yet but which will be finalized any day, and which has both positive and negative aspects. I believe that the most important thing about this proposal is that it starts off from a premise deduced on the basis of elementary logical analysis, that is, that attention should primarily be paid to the peace process in Bosnia and that this process must be completed, in view of the fact which even the initiators of the proposal have accepted—that only a tiny percentage of the territories is still under dispute and that this is the only thing separating us from a final settlement.

The integral resolution of the Yugoslav crisis is of vital importance to the FRY—we do not wish to shy away from these problems—but I believe that the issue of peace in Bosnia-Herzegovina should be resolved first because this would give tremendous impetus to resolving the remaining disputed and outstanding questions in Bosnia.

We have to wait and see how this somewhat altered constellation of political forces will affect our political environment. What instills hope at this moment is the fact that a considerable number of the positions insisted upon by Serbia and Montenegro during the process of disintegration of former Yugoslavia, and later on as the FRY, have become an inalienable part of reality.

You know, it is a great thing when a country like Germany starts talking about lifting the sanctions and about their pointlessness. This is of utmost importance to us because we realize, in our untenable social position, that the sanctions are rendering the possibility of a peaceful resolution increasingly remote.

Finally, it is hard to show resolve and take a firm stand on all this because it is almost impossible from our position to acquire an insight into the maze of international interests, but we are definitely entering a calmer, more rational and sober stage which might result in a comprehensive solution, a more just solution by which we, the FRY, would be treated as an equitable partner in this crisis and not be exposed to such unprecedented sanctions that do not lead to solutions but rather distance us from them.

[Excerpts] Question: What are the real conditions for the abolition of sanctions, as these conditions have been differently interpreted and viewed?

Answer: I have to admit that my ability to judge and the information that I have do not stretch that far. You see, this is the same as questioning someone who has punished you for something you do not feel guilty about, and who based his decision exclusively on arguments about how and why he did it. [sentence as received] I hold that if this world needs to rely on some kind of stability and order, which is very difficult to achieve in a situation of the global disarray of political power and might, then the world will have to be consistent and respect its own words. I think that the conditions which have been clearly set out to lift the sanctions now are completely opposite to the conditions which were set out when the sanctions were imposed. It will be very difficult to explain to an international public which displays at least a semblance of objectivity and good will why the sanctions have been imposed with one set of conditions, while their eventual abolition is being prolonged and made difficult by another set of conditions. I hold that the current situation in the world is such that peace in Bosnia-Herzegovina, which, I hope, we are approaching, will clearly mark the beginning of the lifting the sanctions. Otherwise, someone will have to answer why and on the basis of what right a different decision was adopted?

Question: How would you assess the present position of the FRY?

Answer: Regardless of all the uncertainties surrounding us and despite the fact that we are not directly recognized—although increasingly acknowledged in the world—I believe that in the context of the circumstances that preceded the disintegration of the former Yugoslavia, the FRY was the best solution for the Serbian and Montenegrin peoples. Quite naturally, this federation is going through many trials and tribulations—we are being severely punished and shunned by the international community, a war is raging in our immediate neighborhood which we cannot afford to ignore.

On the other hand, we are coping with the great difficulties accompanying the construction of a democratic society, a democratic federation that will take into consideration the specific and realistic interests of two economically and geographically different, while historically and ethnically close, republics such as Serbia and

Montenegro. Nevertheless, I believe that the FRY is a state that has bright prospects for the development of democracy; it is a state worth fighting for and I believe that the majority of the citizens of Montenegro and Serbia share this view.

Question: How is Montenegro putting up with the sanctions, and are there any peculiarities here in relation to the problems encountered at the Yugoslav level or in Serbia?

Answer: Peculiarities certainly exist. It should be said here that, since the moment we informed the Montenegrin assembly and the Montenegrin public about the possibility of the imposition of sanctions, the republic's leadership declared loudly and unequivocally that there can be no life under sanctions, no existence, and no development. Never has Montenegro succumbed to the euphoria prevailing in Serbia, when they were exclaiming that the sanctions cannot affect us and that we can survive. I do not wish to say that this is a consequence of this or that policy, but of a reality reflected in the fact that the Montenegrin economy is more vulnerable to the effects of sanctions—for every 100 units of production in Yugoslavia, up to 70 units of Montenegro's social product were exchanged through imports and exports. Montenegro was the most open republic in terms of exports and imports—much more than Slovenia in former Yugoslavia.

On the other hand our population is a traditionally poorer population that used to obtain subsidies from the generous social and development funds of the former Yugoslavia.

Third, the sanctions have seriously affected our population in Montenegro for yet another reason: the fact that sometimes Montenegro is not even mentioned in the sanctions is a perfidious strategy aimed at causing further dissatisfaction.

When you look at speeches and reports by foreign officials, only sanctions against Serbia are mentioned, as if sanctions are not being imposed on Montenegro as well, which I consider to be a very crafty diplomatic game, which takes into account the fact that both Montenegro and Serbia make up a single geographic entity, and that an equal approach should be assumed toward both of them for geostrategic reasons. But perhaps there is a desire to additionally punish Montenegro by not mentioning it at all which hurts the traditional morale and dignity of our citizens.

Thus, I believe that the sanctions against Montenegro additionally show that they are absurd, because all people who came here to have talks came with a prejudice which disappeared as soon as they cast a glance at the demographic, economic, and political reality in the republic and realized that it is really absurd to accuse Montenegro and Serbia of perpetrating ethnic cleansing in Bosnia-Herzegovina, concluding at the same time that 30 percent of the overall number of refugees accommodated in Montenegro are Muslims.

Question: Travelling to Montenegro yesterday, we did not notice any barriers or columns of trucks at the border between the two republics. What is all that about?

Answer: I am happy to hear that. However, there have been times when some kind of barriers were erected between Serbia and Montenegro. We dealt with those problems with great success at the federal level because we received guarantees that this was not a trade war or an attempt to exhaust us economically, but simply a laudable action to crack down on smuggling and remove suspicions that goods are being re-exported.

On the other hand, it is perfectly clear that a state which is under sanctions and cannot provide sufficient amounts of food for its own population is not so irresponsible as to re-export goods with the approval of state bodies, even if the profits are exorbitant. In any event, we have unfortunately created protocols between the Montenegrin and Serbian Trade Ministries which, perhaps, resemble something that does not suit a federal state, but I think that all efforts should be directed toward securing Yugoslavia's external borders in order to remove suspicions of possible smuggling and abuses. However, that the markets of the two republic within the federation should be absolutely free.

I repeat, many interests are at stake here and there are many motives. Unfortunately, it has happened, as often happens in life, that a noble and well planned action, such as crackdown on smuggling, in fact boosts smuggling because you can lift any barrier and cross any border with about a 100 German marks. I have received firm assurances and guarantees that this is not a state policy of the Republic of Serbia, and it should be solved by strengthening the federation and by integrating the federal government in the single market of the FRY.

Question: How do you view political relations between the federal units?

Answer: I see this as a process of searching for better solutions. I believe that the sanctions are compelling us to ponder ways for the elementary survival of our population, which means putting off certain problems we will inevitably have to face in better and more peaceful times. I think that while laying special emphasis on common traits, the principle of federalism, the principle of the affirmation of one's identity will be the subject of political research and future political arguments.

Frankly, I am tired of having to prove that Montenegro is not a separatist republic whenever it unambiguously presents its demands in relation to the federation. Finally, this is our state, we created it and we should feel equal in it. As a constituent part of the community, we

should clearly state out interests in order to consider the opinions of the other side and strive toward the best and most rational solution.

I believe that our future relations will be free of mutual suspicions, of attempts to figure out who wishes to double cross or humiliate whom. Rather, as in all normal states, we will clearly state our specific interests and accept common ones because, in the long run, this is in everybody's interest.

Question: Do you think the problem you have mentioned could be ascribed to a certain level of consciousness, to psychological residue, or are there any systemic leftovers from the times of the Antifascist Council of the National Liberation of Yugoslavia [AVNOJ] Yugoslavia?

Answer: It could be both, but I believe that this problem has been blown out of proportion politically, for the simple reason that the political will of our citizens is not being considered realistically. It often happens that an opposition party with a precisely and democratically determined degree of influence in a given society—as well as legitimate stands—starts making a lot of noise and raises certain insufficiently validated issues whose aim is to counter the ruling parties in both republics which, in fact, formed the federal government and are responsible for the overall situation. I believe that the formulation of these questions is more a product of political folklore than of real and fundamental dilemmas.

Question: Elections will soon be held in Serbia. This is partly the reason why the federal parliament is not active at the moment. What is your opinion of this situation and can we expect elections in Montenegro as well?

Answer: I hope that the elections in the Republic of Serbia will be held in a peaceful and democratic atmosphere and that they will ensure that the citizens of Serbia are represented in their parliament by serious, rational, and democratic political forces. This political reality has paralyzed the federal parliament, although, to be honest, the federal parliament squandered too much time on irrelevant questions, on scoring internal political points, without managing to gain a deeper insight and adopt a series of laws of crucial importance for the functioning of the FRY as a joint Serbian-Montenegrin state, as a state aspiring to be recognized by the world. Unfortunately, this state has so far not managed to adopt a series of laws as the basis for its democratic infrastructure. This delay, caused by the elections in Serbia, should for the most part be attributed to the ineffectiveness of the federal parliament, in the hope that this decision-making process will be unblocked after the elections in Serbia.

Concerning elections in Montenegro, important political factors in Montenegro have not yet clearly voiced their political stands on that issue. So far, only one party, I think the People's Party, has announced that it might consider elections being held in the spring, but all kinds of things could happen by next spring. We, who bear responsibility for everyday life, for the functioning of this state, and for ensuring its day-to-day existence, will think about elections when the issue is officially raised and put on the agenda.

Question: Would you dare predict the outcome of elections in Serbia?

Answer: That is very difficult. I am member of the Democratic Party of Socialists which immediately expressed its support for the Socialist Party of Serbia [SPS] when the elections were announced in Serbia. We are in regular, constant contact, and there is no need to hide our siding with the SPS. At the same time, we hope that the elections will make possible a significant democratic breakthrough in the republican parliament, and that the parliament will be able to earn more words of praise than of criticism, as the case has been so far.

Question: Mr. president, do you expect elections to be held at the federal level?

Answer: I think that we must wait for the results of the elections in the Republic of Serbia before we can decide on that issue. If the elections bring a turnabout in the balance of political power, if some political parties suffer a considerable loss in their legitimacy and representation, the objective question will be raised: Should these parties keep their seats in the federal parliament in the light of changed circumstances. [passage omitted]

Unfortunately, one needs two to cooperate, but two influential opposition parties [the People's Party and the Liberal Alliance] decided to leave our government for perfectly legitimate and clear political motives. That is not a crisis of authority, and I hope that it will not be a crisis of normal interparty communications. In any event, the ruling majority party is still offering the hand of cooperation, and I hope that the hand will be taken when it turns out that certain parties' current political calculations should be less important than the general welfare which we are trying to create in Montenegro.

Question: When foreign delegations and journalists visit us, they often ask how our people manage to survive the sanctions because, they say, they would not be able to.

Answer: Some analyses that we have conducted—superficial and without sufficient basis—show that your conclusion is correct, that economies much stronger than those of Serbia and Montenegro could not withstand even a much shorter period of such complete isolation and the suspension of any cooperation. On the other hand, at the moment, our people are using their last reserves, and I think that the important social signs coming from various strata of our society should be taken very seriously.

You just cannot say to someone that one can live on 20 German marks, which is an average salary, but on the other hand, you cannot justify the increase in smuggling, crime, and various abuses caused by the tidal wave and the law of the evil times in which we live. We invested considerable effort, although that is not our direct constitutional role, into contributing to the federal government's measures, and we have spent days thinking whether we could break the vicious circle of smuggling in

which money from the National Bank of Yugoslavia ends up in the hands of dealers instead of final users.

I think that it is very irresponsible to say, as our media often do, that this is state money, that these are the state's motives and interests. What interest would the state have in devaluating already low salaries? [passage omitted]

Question: Our neighbors are also affected by the sanctions, and there are increasing signs that they are demanding that they be lifted.

Answer: I think that this is one of the most important reasons to hope that the sanctions will be lifted because it is perfectly clear that they are adversely affecting the situation in the entire region, and that they are having a considerable impact on the destabilization of the already weakened economy in Europe. But, you know, when you talk to people, I have never met anyone who said: Yes, those who imposed the sanctions on you are right, your children should be hungry, your elder citizens should die because there are no medicines, and so on. Everyone hides behind a higher power.

Everyone says that there is a reason above them, that they are not in favor of that inhuman action, but at the same time, they repeat the terrifying fact, which seems to be true beyond denial, that our hardships and our suffering are incomparably easier than the hardships and suffering in the war-stricken areas from which, compelled by misfortune, people are fleeing .

Our current and long-term goal and task are to say that the Federal Republic of Yugoslavia has not done one single thing to contribute to the terrible tragedy on the territory of former Bosnia-Herzegovina and former Croatia, that we are not people who think that the problem can be solved by war or by threatening others, and that we stress the fact that the weapons which they have, and which they themselves claim to be dubious, should be placed in an arsenal of history and things should be viewed and solved in a different way.

Question: How many years will we need to recover from all this?

Answer: That is very difficult to say for the simple reason that we in Montenegro and Serbia embarked on this process of social changes which preceded the break-up of the former Yugoslavia with sincere and pure aspirations to move toward a free and democratic society and toward a rational market economy and economic system. From this past of ours we have now preserved a whole range of values, not only economic values but also those relating to human dignity and morals. [passage omitted]

Question: When can we expect the founding of a Montenegrin news agency?

Answer: I do not believe that a Montenegrin news agency, if ever founded, could pose a threat to TANJUG. This is a time of universal competition and the strong must show, by their performance, whether it is desirable for them to have competition or not. However, speaking about the problems of everyday reporting, we should primarily take into account that we in Montenegro do not even have full-time correspondents in some of our local communities, that certain parts of Montenegro are not covered by the media at all. So I think that we should first get that part of the job done, in conformity with certain journalistic standards, and then contemplate diversification.

Djukanovic: Russian Readiness To Help Limited

LD2311132793 Belgrade TANJUG Domestic Service in Serbo-Croatian 1037 GMT 23 Nov 93

[Text] Niksic, 23 Nov (TANJUG)—Representatives of the Russian economy are for cooperation with the economy of the Federal Republic of Yugoslavia [FRY], but only within limits set by their interests. Therefore, we must not have any illusions or euphoric feelings [about their help], reporters were told today by Vojin Djukanovic, president of the Montenegro Chamber of Economy and managing director of the Niksic ironworks, on his return from a visit to Russia as a member of the delegation of the FRY Chamber of Economy.

We were received kindly by all those with whom we held talks, Djukanovic said, adding that the hosts underlined, apart from their readiness for cooperation, the fact that business and economic moves have to be separated from politics. Nonetheless, they will not make a single move in that field that would be contrary to their government's policy and would perhaps disturb the relations between Russia and the United States. Their activities regarding lifting sanctions and the blockade against Yugoslavia have to be viewed in that light.

The delegation of the Yugoslav Chamber of Economy also had talks in Moscow with representatives of approximately 50 socially and privately owned Yugoslav companies still surviving in Russia.

Paspalj: Karadzic 'Only Man' Able To Rally Serbs

AU2311164993 Belgrade BORBA in Serbo-Croatian 22 Nov 93 p 3

[Report by B.I.M.: "All Serbs in One State"]

[Text] Podgorica—Mile Paspalj, chairman of the assembly of the republic of Serbian Krajina [RSK], and Slobodan Jarcevic, RSK minister of foreign affairs, visited Montenegro last week as guests of the Council for the rescue of Zeta. After visiting the Ostrog Monastery, Paspalj and Jarcevic took part in the "Zeta Talk" discussion forum in Golubovci on Saturday evening [20 November] at which several hundred citizens from throughout the Zeta plain region rallied.

After pointing out that they "have come from the youngest Serbian state to the oldest Serbian land—

Zeta," Mile Paspalj informed the Zeta population about the RSK Serbs' decision to "join all Serbs in one state, under one hat, and under the leadership of one man." "We want to exert pressure on Serbia and Montenegro, so that we can all form a united Serbian state" and not a union of Serbian states, another option supported in the republic of Serbian Krajina by a group headed by Milan Babic, as "so far, unions have always hit us on the head."

Mile Paspalj said that "the border between the republic of Srpska and the RSK in fact no longer exists" as a result of Serbian interests and desires throughout centuries, and pointed to Radovan Karadzic as "the only man who can rally all the Serbs west of the Drina."

"The border of Montenegro is on the Kupa," Slobodan Jarcevic, RSK minister of foreign affairs, said. In his opinion, "Krajina will have to remain as the bulwark of Serbianism for at least another year," and the republic of Serbian Krajina is "a reality that we cannot ignore in further negotiations." "Out of fear of destruction, Serbs simply do not dare live together with Croats," Jarcevic said, and asked "how then the EC has the right to push Serbs and Croats under the same roof."

Jarcevic added that Serbs in Croatia have the right to 5 percent more territory because they constituted 30 percent of the full number of citizens, not only 11 percent, as the official Croatian authorities claimed. According to him, all censuses in Croatia from 1945 to 1993 were falsified to the detriment of the Serbian people, something only just discovered. Namely, it has been concluded that 1,200,000 Serbs (and not 150,000) lived in Croatia before the war, and this should be one of the key criteria in dividing the territory with Croatia.

Kosovo

Four Members of 'Paramilitary Formations' Imprisoned

LD2311171193 Belgrade TANJUG Domestic Service in Serbo-Croatian 1545 GMT 23 Nov 93

["Four Ethnic Albanians Imprisoned for Organizing Paramilitary Formation"—TANJUG headline]

[Text] Prizren, 23 Nov (TANJUG)—The three-judge council of the district court in Prizren today meted out imprisonment sentences totalling 9.5 years against four members of a terrorist organization.

Saban Salja (age 45), a lawyer from Prizren, was sentenced to one year in prison, while Haljim Semsedini (age 45), a teacher from the village of Zapluzje, in the municipality of Gora, was sentenced to 2.5 years in prison. Samidin Muhameti (age 48), an unemployed person, and Imer Ademi (age 39), a teacher from Brodosavac, were each sentenced to three years in prison.

In the course of last year, and this year up to their imprisonment, this group, as an explanation to the verdict states, was engaged in organizing paramilitary formations in the villages of Brodosavac, Vljac and Kosovac in the municipality of Gora. It was aimed at the violent overthrow of the constitutional order of the country.

Paramilitary Leader Views Political Stance

AU2011060093 Belgrade NIN in Serbo-Croatian 5 Nov 93 pp 30,31

[Interview with Zeljko Raznjatovic "Arkan," chairman of the newly established Party of Serbian Unity, by Zoran Jovanovic Cupa; date and place not given: "It Is a Crime Not To Defend One's Own People"]

[Text] Zeljko Raznjatovic "Arkan" (born 1952) is one of the controversial personalities on the Belgrade and Serbian political and war scene. Politics, war, and underground organizations are a part of his life, so that his curriculum vitae can only be guessed at. This interview took place on the insistence of Mr. Raznjatovic. It was conducted without any restrictions. The man who sat opposite me gave the impression of a person who lives at a speed of 300 km per hour, a person who knows all the secrets and who is capable of accomplishing anything he starts.

[Jovanovic] If we collected all the stories about you into one, it could be concluded that you lived seven lives simultaneously. All of a sudden, however, you became a member of parliament and the chairman of the newly established Party of Serbian Unity, which is seriously preparing itself for the forthcoming election in Serbia.

[Raznjatovic] I have perhaps lived seven lives, but I have no time to think about it. I shall leave my past to the interpreters of the past; what I am interested in are present and future events. I am a fighter and I shall fight for my aims as long as I can. I have never given up. I am full of energy and I can fight against everybody and everything.

After the things I experienced in the Serbian Assembly, I felt that a party of unity, national assent, and Serbian Orthodoxy, which respects all other peoples and national minorities, has to be established. And I established it. This is a party of the political center, the main task of which is to stabilize the circumstances in parliament in politics. It can be compared to conservative or republican parties. It is a party of tradition and democracy.

[Jovanovic] Do the politics have to be connected to crime?

[Raznjatovic] I knew that you would ask me about war crimes. There are no unpleasant questions, but I do not understand why I have to repeat the same things hundreds of times, because you journalists always repeat your questions.

It is fashionable in Serbia now to accuse the Serbs, for the first time in their history, of war crimes. I would like to say that the people who claim that certain things are

true have to prove them, too. Who can control all criminals and gangs in a war, who rob and abuse the innocent population? You can see what Muslims are doing to Muslims now. The world does not want to see it, but some of our intellectuals insist on the war profits certain people made and on crimes, which allegedly only Serbs committed. I was a commander of a unit in which the discipline was very harsh, we were very often more cruel toward ourselves than to others. If you tell me of a single war in which there were not these things, I shall give you one million in any of the hard currencies.

[Jovanovic] Where did you get so much money from?

[Raznjatovic] This is the third question everybody keeps on asking me. I had the money before this war. I have one company in London and one in Belgrade. Do you think that all companies are poor? If someone is a modern businessman who earns a lot of money, he is immediately under suspicion. This is our mentality. I would like to return to war crimes, though. Why was everybody silent about Jasenovac [a concentration camp in Croatia during World War II], in which 1,200,000 Serbs and several thousands others were tortured and murdered? I do not want to mention other places. As far as I can see, it is mostly in Belgrade that people insist on war crimes. Belgrade is a multinational city in which Serbs are not the largest population, and if we speak about genocide, we can only speak about the genocide Ustashas committed against Serbs and about the Jihad genocide against Serbs. We can also discuss the victims other nations had, which could have also been done by some uncontrolled Serbian groups, but this cannot be considered as genocide. This cannot be compared! I can also say this in English, to the people whose mother tongue is English, and they will understand me—in contrast to our intellectuals, not all of them, of course.

[Jovanovic] You have participated in this war from the beginning. Have you witnessed any of the war crimes, and if you have, how did you behave in such cases?

[Raznjatovic] I have participated in this war, but I have not seen a single Serb commit a war crime. I can say this with full responsibility to you and before God! I do not, however, want to deny that war crimes have been committed by Serbs, too. Why does nobody ask the English or the Spanish how they robbed small peoples in Africa and elsewhere, both in war and peace....

Why is only Arkan asked these questions, with full delight? What is Arkan—an expert on war crimes? No! Arkan is an expert on Serbian defense, whenever the Serbs are in danger! As long as he is alive. Why should I answer such questions? I was a soldier and I shall always be one if Serbia needs me. I am a politician now. Is someone interested in my political engagement? Are you interested in it?

[Jovanovic] Of course. You entered the Serbian Assembly quite unexpectedly. What is more, you also established a party—the Party of Serbian Unity. You were the first politician to start the election campaign—fiercely and aggressively. Belgrade is full of posters of your party. You reserved the time for your party program on all television and radio channels. You are planning to tour Serbia with Oliver Mandic, Lepa Lukic, Ceca Velickovic, and Djeja [singers], in the way propaganda and marketing are made in the United States. What do you expect?

[Raznjatovic] My wife told me once: "You were an excellent warrior, what inspired you to go into politics?" Twenty thousand Serbs, who asked me to help them, decided about my entry into politics. I could not refuse them, but you cannot have that strong an influence with only five seats in parliament. That is why I decided to establish the Party of Serbian Unity. Its basic political aims are: The unity of the Serbian people, national harmony, the creation of one state for all Serbs, respecting parliamentary democracy and traditions, respecting the tradition of St. Sava and the family, of human and political rights, private property, and the search for a solution to the Kosovo problem.

[Jovanovic] Is it possible to retain a territory in which Serbs account for only 8 percent of the population, or even less, as is the case with Kosovo?

[Raznjatovic] Is it possible to give up Kosovo? Our roots are there, our sacred things, and our tradition. What makes the problem worse is the fact that the Serbian population there is split.

[Jovanovic] With 4 percent on one side, and 4 on the other?

[Raznjatovic] Even worse. With 2 percent on each of the four sides. The Party of Serbian Unity will unite all of the Serbs, in Kosovo and here in Serbia. If I had had the power, I would have solved the Kosovo problem a long time ago. So many refugees.... In Kosovo, things have to be done exclusively according to law. If the law says that Serbian citizens, and Kosovo is Serbia, have to join the army, I would call all loyal citizens between 18 and 55 years of age to join the army. The people who do not report are deserters, and they have to be treated according to law. A large number of Albanians would, in this case, flee to Albania or Macedonia.

[Jovanovic] Can your party reconciliate fascists and fascists, traitors and traitors, as well as other traitors and fascists among the Serbs, so that they are not called these or similar names, as this was the case in the last session of the Serbian Assembly just before it was dissolved?

[Raznjatovic] We can! This is our basic political aim. The reconciliation of all Serbs and Serbian unity are our aims. All of the parties you mentioned are neither fascist nor traitors, they are really not that. That is why I agreed with the decision taken by the Serbian president on the dissolution of parliament, because this was a big shame.

[Jovanovic] Is the conflict between [Serbian President Slobodan] Milosevic and [Serbian Radical Party leader Vojislav] Seselj real?

[Raznjatovic] Yes. It is very real. This was an additional reason for me to establish the Party of Serbian Unity.

[Jovanovic] Will the ruling party resign without making problems if it loses the election, or will it introduce a state of emergency?

[Raznjatovic] I do not think that a state of emergency will be proclaimed. These are only speculations; this is the case before every election. The Socialist Party of Serbia will respect the election results.

[Jovanovic] Seselj has stated clearly that he has information against Milosevic and is blackmailing him now with it if Milosevic hands him over to the court in The Hague.

[Raznjatovic] Seselj? I cannot believe it. Apart from that, Milosevic will not hand Seselj over to anybody, because he has no reason to do so!

[Jovanovic] It can be heard that Milosevic gave up Seselj for the sake of Raznjatovic, and that the Party of Serbian Unity will replace the Radical Party.

[Raznjatovic] I do not think so. We want to create our club in parliament if possible. And that is everything! Everything else are Serbian political calculations we are not interested in. Have you heard that the patriarch said it was high time for the Serbs to act in harmony? The measure of our victory in the election will not be the number of seats we get, but how much we shall make for Serbian unity. Certain changes on our political scene, which made some of the non-national parties accept the national program—according to the motto better late than never—encourage us in our hopes that we might, all together, accept the minimum national program, over which the parties will not fight.

[Jovanovic] Have you met with Milosevic?

[Raznjatovic] No!

[Jovanovic] The inhabitants of Belgrade fear the return of the soldiers from this war. Many of them still remember the return of the partisans to Belgrade in 1945!

[Raznjatovic] We shall not ask for anything, but for respect. I give you my word! My soldiers who have not been wounded have returned to their regular work already. They are not asking for any privileges. The only thing they are asking for is not to be prosecuted, because they defended their people, since it is a crime not to defend one's own people! We help our wounded soldiers and the families of the dead ones ourselves. I have two sons and two daughters and I know very well that is difficult to grow up without a father. We can help these people because many of the members of our guard were also wealthy people before the war. They are still well off. We also have several trade companies. Apart from that, we receive help from stately-owned companies. All of the soldiers who needed help, received it. All of them! I have no guilty consciousness. As far as other soldiers are concerned, others have to take care of them.

[Jovanovic] Who took care of you when you were imprisoned in Croatia? You spent more than six months there. People distrusted you when you came out of prison. There were rumors that MOSAD [Israeli intelligence service] liberated you, that [Croatian President Franjo] Tudjman received a blackmailing letter from Serbia, there were even rumors about your connections to [former Federal Interior Minister] Stane Dolanc. Were the Croats naive at that time, or is it naive to ask you about this?

[Raznatovic] You are not naive! The former Yugoslavia still existed at that time. When we were caught, we had personal weapons on us and we were immediately brought first to Sisak, then to Zagreb, and then to Dvor na Uni. After that there was a court trial against us. I was sentenced to 20 months of imprisonment and released only after the sentence took effect. I can say today that there is a "room for crying" in Croatia, where they are still crying because they let me go. I know that I was caught by deceit. I know everything, but it is still not the right moment to publish everything!

I have to go as far back as 1981. I was summoned to the office of the commune of Savski Venac in Belgrade because I bought a "Renault 16." I was asked where I had the money from....

[Jovanovic] How could you be asked that if you worked for the State Security Service, in other words also for the commune of Savski Venac?

[Raznatovic] These are empty stories. I was also asked this question by Tijanic, the manager of the POLITIKA Television Channel. He also asked me about Stane Dolanc, who is known to all of us as a man from the darkness of the previous period. How can Tijanic ask me whether I was his friend. Even if it were true that I had worked for State Security, where is this stated? Is the CIA speaking about it? Or perhaps MOSAD? Who is talking about that? Such services are called secret services because the only thing that is known about them is that they exist, nothing else.